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The Eye

Satire, comment and independent reporting

March Quarter 1990

Geoff Pryor's biting political chronicle, *Federal Hill* & our outrageous new Almanac

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WANT to have more cash in your pockets than the whole of Latin America? Want to get your ugly mug on the telly all the time? Throw your weight around in public? Get your cave-man meanderings taken seriously? In short, be a Tycoon? Of course you do, everybody does. Well, here's five easy ways of having your dream come true.

1. GET BORN RICH. All bullshit aside, this time-honoured method cuts out an awful lot of sweat, crap and fucking about. It's an economist's dream: (a) requires no skill base, and (b) requires no overseas borrowings. "Easier said than done" I hear you ask? At the rate the Hawke Government's been cranking out multi-millionaires and multi-billionaires, it's getting easier all the time.

2. WORK YOUR ARSE OFF. All right, so Dad wasn't one of the filthy rich. Can you still make it to the top? Sure. Leave school at nine, take on three jobs. Allow yourself, say, four hours of sleep a day — you should be able to progressively cut down on this with practice. Don't drink, smoke, fool around with women or go to the pictures. Whack every spare cent into the stock market. After eighty or ninety years of this, providing your broker hasn't absconded to Buenos Aires with your takings, you should be about ready to join the junior tycoon league.

3. WORK SMARTER NOT HARDER. When you leave school get straight into a small business. It doesn't matter what — signwriting, front-end loader operator, sperm collection — anything will do as long as it gives you the taste for higher things and a first-name relationship with you dopey local bank manager. Spot some tasty asset, eg a bit of real estate, and swing a loan to purchase it. Then without pausing for breath, on the strength of this "asset" you swing a loan to purchase an even bigger one. From there it's simply a matter of geometrical progression, onwards and upwards. As long as you can keep moving no one'll ever be able to touch you. People often ask me, what's the difference between a con-man and an entrepreneur? About three week's grace from the bank I'd say.

4. WORK NASTIER NOT SMARTER. Sometimes called the take-over game, this is a natural progression from (3) above, except that instead of trying to accumulate your own assets you try to accumulate everyone else's. They say it's a ruthless game where you'd slit your own grandmother's throat. Only if she happened to be sitting on a strategic block of shares — and only after you tried offering her a 2 for 1 share issue or some junk bonds first. OK it's a tough game, but it sure sorts out the billionaires from the millionaires!

5. FAST TRACK INVESTMENT. Too plebeian, lazy, stupid or honest for methods 1, 2, 3 and 4? Never say die. Get yourself a mid-week Lotto ticket. Win First Division (and pray no one else has got your numbers). Then find a high-rolling turf accountant and whack all your winnings on a big accumulator bet, say a 10/1 all-up a 20/1 all-up a 50/1.

Roger Raftery

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The Eye

A Quarterly Journal of Satire, Comment, and Reportage

Edited by Brian Toohey

This is the 22nd issue of a magazine whose birth has been sparked by changes which mean that the Australian media are now dominated by companies with fingers in dozens of other business pies. Governments and advertisers are setting the agenda for what gets printed. *The Eye* is attempting to fill the gaps left by the Big Boys and inject a little humour.

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At Home with The Toad

WOKE with a languid weariness in the bones after a vigorous nocturnal workout with a tasty young *gymnaste* I recently sponsored from the Eastern Bloc. Certainly blew the cobwebs away for the bash I had organised to bring a few like-minded souls together to a spot of strategic planning for the new decade (or for the odd strategic friendship.) Moet, Lanson Black Label. Roederer Cristal, Bollinger Grand Annee, Veuve Cliquot, Dom Perignon, Krug, Chateau Remy Cuvee Special, Laurent Perrier Brut, Chanel No 5, Asti Spumante Superiore, all by the bucket load. The Chanel had a rich "yeast" nose with a peppery/lemony acid flavour and a biscuity finish.

Took the precaution of rolling up the 18th century Azerbaijan rug — only one of its type in the West. How I got is another story. Must say it left the Carrara marble floor exposed to great effect. When everyone had settled in I threw the video of Bob's address to the Evatt Foundation up on the high-definition Bang & Olufsen screen. Much slapping of thighs and general hilarity as we watched Bob explaining ever so seriously how a "ideological gulf" existed between him and Andrew. If this be "ideological gulf", give us more we chortled, tossing wads of fully franked share dividends in the air.

Formal dining setting with service from a bevy of petite young Filipinas. Don't ask how I get them in. Started with a huge wedge of *foie gras*. A fabulous eat, the lobes of liver were separated by thin wafers of dried grapes (muscatel I believe) so that the dish was laid out to look like small pink playing fields separated by hedgerows of crushed sultanas. Yabbie tortellini with tandori coconut cream and a guava sorbet prepared the palate for boned baby partridge *en sarcophage* with lightly fried chanterelles in a thick sauce of King Island cream and sorell, followed by a saddle of Bavarian elk, stuffed with roe of Faroe Is-

Publication schedule

The Eye continues to receive strong support from readers assuring it of a viable place on the Australian publishing scene. In order to create more time for research and writing, and hopefully to provide a better service to its audience, the magazine will come out in future on a quarterly basis. Issues will go on sale the Wednesday before the start of the March, June, September and December quarters. The next edition will hit the stands on 29/3/89.

New subscribers and those renewing can take advantage of a current offer to get a free copy of *The Book of Leaks* (retail $14.95). See subs form p. 32.

New arrangements are being made to improve the processing of subscriptions. Please send all new subs, renewals and changes of address to: *The Eye*, Box 290, P.O. Aspley, Qld 4034. **(The separate address for editorial correspondence is on page .3)**

land salmon and fresh langoustines, topped with rasberry *coulis*, and accompanied by a mound of turnips, marrow and mangelwurzel, with a big bouquet of mustard cress wound around Finnish rhubarb complemented by a balsamic vinegar dressing.

Dessert was an arrangement of *gateau forêt noir* with an orange zang sauce, a mousse of Chinese gooseberries blended with Kalimantan mango, and bricelets with almond *fracis* of pastel pear torte in an amaretto sabayon,washed down by a particularly fine De Bortoli sauterne and an Eau Sauvage chaser which exhibited a marvellous peachy/cloudberry fruit with a beautifully integrated oak.

Then I dragged out the 1937 Otard Napoleon Extra. Toast after toast! To the campaign, we cried! To management fees! To the nominee company in the Netherland Antilles! To a new supply of Cambodian house-boys!

The talk turned to business as I reached for the trolley with the Matell Cordon Bleu Crystal Baccarat decanter. The conversation wafted across the sultry summer air.

"Can't bloody well donate in Queensland now that Goss has promised complete disclosure."

"Can't bloody well do it in NSW with ICAC sniffing around."

"Talking of ICAC, how's Mick Ross bearing up?"

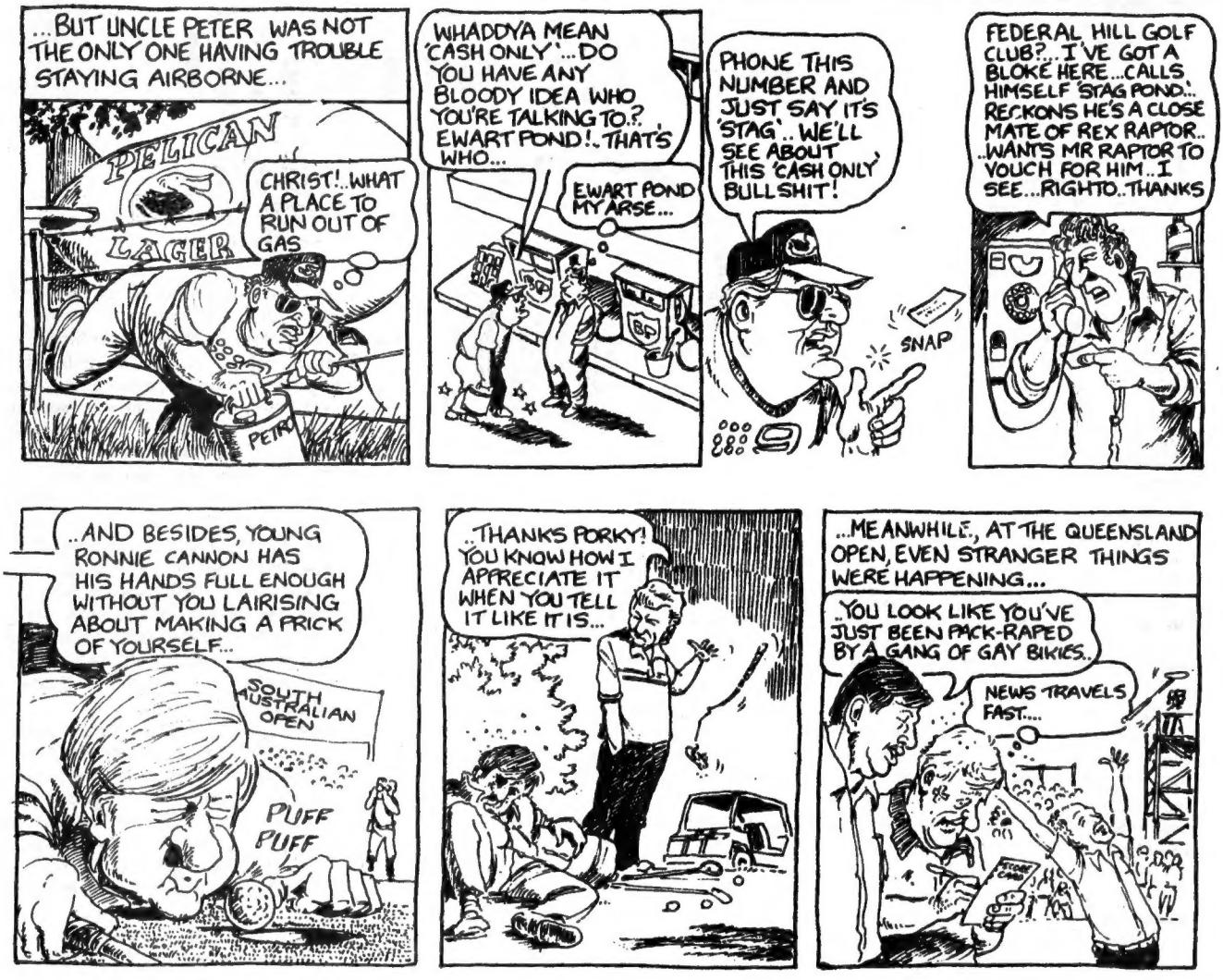
"On the wagon, thank God."

"We'll sure as hell miss him in the property branch. Knew Canberra better than just about anyone around. Police didn't by any chance get all the letters from Pigeon to Richo when they raided Mick's house?"

"Seems that they did."

"Mmh!"

"And how's Bob Noud?"



"On the wagon, I'm pleased to say."

"Still happy with with the world at large?"

"Far as I know."

"Hasn't anyone spoken to him, for Christsake!"

"Yeah, yeah. He's sweet as a nut, or so I hear."

People moved in and out of different groups. "Sorry, I haven't caught up — what did Pigeon want?"

"Oh, just the usual. Waving plans around for a new Commonwealth office block in Brisbane. Noud gives them a hand, every now and then. Knows Richo from way back. Nothing came of it."

"And how's Joe Meissner?"

"Shitty!"

"Tom Domican?"

"Shittier still"

"Why?"

"Basically, he's in jail and you're not." A quite unnecessary riposte, I felt. No guest of mine would be on more than nodding acquaintance with the fellow.

"Warren Anderson?"

"Happy as a pig in mud."

A trade union chappie chipped in. One of the new breed. Ermengildo Zegna suit. Baring Bros tie: "I see Warren paid a consultancy fee of $50,000 to some bloody Melbourne councillor. What's he got that I haven't got?"

"Fifty thou of Warren's money," someone laughed. Knowing Warren, I smiled.

"Heard from Laurie Connell?"

"Not a word, except that he's very dirty on the rest of humanity."

"He's not thinking of . . ah . . ."

"No, No. I spoke to Dallas. He's all right . . . for the moment."

"Can't blame him for feeling a bit let down. Bob is not exactly lining up to go fishing with him again on the 100-foot cruiser or whatever it was."

I made a mental note to get someone to talk to the West — and fast.

Another day. Another opportunity. Had select little group from Rupert's show over for breakfast. Eggs Benedict on thick slices of toast. I have the bread made from hand-ground barley flour. Fresh quince juice and a splash of Dominique Landragin 1984. Crisp white linen. Mai Lan had excelled herself.

Ken Cowley and Heather Brown were in great form. An ornament to Australian journalism. Rupert said as much to me only the other day. Never has to interfere, he said.

● Manduck is on holidays. He will return in time for the election.

Clean but stupid

Body Politic

THE campaign to protect senior police in NSW is taking some crazy turns.

Good police are being blocked from promotion because of wild rumours that they are "crook", while police who are as thick as a brick remain in senior slots because they are "clean".

Political blackbans based on nothing more than "guilt by association" are being imposed. The result is to encourage a dangerous cronyism bolstered by unfounded claims about "wars" between good cops and bad cops which distract attention from repeated failures at the investigative level.

The Commissioner, John Avery, and an Assistant Commissioner, Tony Lauer, are being given the most lavish support.

In evidence before the Independent Commission Against Corruption, Lauer himself attacked the role of Andrew Peacock's Press Secretary, John Wells, back in the days when he was a reporter for Channel 9.

Lauer said, "I am concerned about the role of the man Wells who presents as a professional journalist, but who on my understanding has a far greater involvement than that . . . .There is an enormous conspiracy where Wells invites (Inspector) Harvie to talk to him."

Lauer did not go on to explain what the "enormous conspiracy" was. All that Wells did was to approach Harvie to hear what he had to say. Nothing unprofessional about that. Indeed, a perfectly normal journalistic practice given that Wells was seeking to find out what Harvie might know about claims that an underworld figure, Frank Hakim, had been "loaded up" with heroin when Lauer and other police raided his office.

Lauer is also in the spotlight following the dropping of the charges against Harry (the Hat) Blackburn over a series of rapes. A Royal Commission is currently investigating the overall stuff-up as well as the potential contempt problems arising from a media lock-up where Lauer briefed journalists on what a marvellous job the investigating police had done. The briefing took place after Blackburn was arrested but before he was charged.

A second police investigation subsequently found that the evidence against Blackburn did not stand up and the Director of Public Prosecutions, Reg Blanch, withdrew the charges that had been announced with such fanfare.

The *Sunday Tele* has seen fit to portray Lauer's promotion to Commissioner as somehow "fatal to the hopes of three groups" : (a) corrupt cops exposed by Lauer; (b) corrupt cops yet to be exposed by the Lauer forces; and (c) "other police who have been unhappy at the administrative changes which Commissioner Avery has wrought."

The paper suggested that these three groups had triggered the ICAC and Blackburn enquiries — "Suddenly the prospects for a Lauer succession (to Avery) seemed ever-so-slightly shaky."

The general theme has been repeated in a *SMH* editorial and by Police Minister Ted Pickering, the Attorney General, John Dowd, and the shadow minister, Peter Anderson.

Unfortunately, not a jot of evidence has been produced to support these grand conspiracy theories which are driving talented police from a force that can ill afford to lose people who can actually count past ten.

During the Blackburn Commission, Blanch said that Avery had told him that he was worried about the integrity of the second investigation into Harry the Hat. His grounds were that the Inspector in charge, Clive Small, had known Blackburn's solicitor back in the days when he was in the police force.

Blanch was not impressed. He was asked by the Counsel assisting the Commission: "Did you have any reason to doubt the integrity of Inspector Small?"

Blanch replied: "None at all. In fact, the papers presented by Inspector Small were one of the best briefs I have ever seen in terms of the way it was put together and the analysis of the evidence."

With that sort of comment from the Director of Pubic Prosecutions, it would seem that, rather than casting aspersions on the integrity of Small's investigation, Avery would be be better occupied working out how the initial cock-up occured. The problem is not one he can easily brush off, given the press release that was issued proudly proclaiming he had been "fully informed" about the investigation that led to the false arrest.

Serious questions also remain about the extremely lenient treatment Avery meted out to Joe Parrington, the man in charge of the botched investigation into the murder of the Griffith anti-drugs campaigner, Donald Mackay. Avery publicly expressed his regard for Parrington who he said "worshipped" with him as a Christian.

The Nagle Enquiry was severely critical of Parrington saying that there could be sufficient evidence for a charge of attempting to pervert the course of justice and that he should, at least be charged departmentally. The latter course was chosen, with Parrington being only fined $1,000 despite Nagle's finding that he had withheld crucial information from the Mackay Inquest. Avery has allowed Parrington to retain an important position within the department. **- B.T.**

1. Who are the feds fooling?

The Australian Federal Police like to promote themselves as a cut above their state counterparts. However, their behaviour in the Winchester murder case throws severe doubt on their claims to be Australia's elite investigating force. They have been especially reluctant to follow serious indications that their slain assistant commissioner was corrupt. One senior detective has even suggested that their main suspect should not be accorded basic legal rights — and has retained a key role in the case. Roderick Campbell reports:

FORMER Canberra public servant David Eastman has been publicly denigrated, harassed, intimidated and assaulted. His name has been dragged through the mud and his reputation destroyed, all in the name of solving Australia's most serious unsolved murder.

It would appear that many police regard Eastman as fair game in their efforts to nail him as the murderer of their ex-boss, Colin Winchester.

From some of their actions, it seems they do not believe he has the same legal rights as other citizens. Eastman, who has been subjected to a barrage of abusive and nuisance telephone calls, claims police have given one of his friends a hiding. The calls mysteriously stopped when the allegations received front page coverage in the *Canberra Times*.

Eastman seems to be taking most of this in his stride. However, he is worried that police are trying to provoke him into physical response. This would lead to his immediate arrest and removal to the Canberra City police station. Once inside, it is a fair bet that Eastman would not have a pleasant time of it.

Police seem to be playing on two things: the enormous public and official support for efforts to solve the crime and a fairly universal dislike for Eastman. The police loathe him. And there are not too many others in Canberra who know him who care for the man.

One section of the federal force have been quietly bad-mouthing Eastman almost since day one. They had, until the Winchester inquest began in August, been going out of their way to directly, or through others, pass the word around that Eastman was the killer and that they had the evidence to prove it. For a while, they had a lot of people believing them.

When the inquest got going, it soon became obvious that the police had nothing more than a circumstantial case against Eastman. Much of the alleged evidence they'd been whispering about evaporated. Alleged sightings of Eastman near the Winchester home were equivocal at best. Blue paint samples at the murder scene were not from Eastman's blue car after all; they came from Winchester's trailer.

But the police pressed on. They dug up every conceivable piece of Eastman's

Continued on page 8

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life history and presented it to a largely unquestioning ACT Coroners Court. They revealed details of his sex life, his finances, his family background and his mental health. They got his doctor and a former lawyer to divulge conversations Eastman might have thought were privileged. They tracked down a prostitute he'd seen. They found out about irrational and threatening remarks Eastman made many months earlier and had these aired in court.

When they raided his flat for a second time in October, they read confidential correspondence from his lawyer, seized notebooks used to take notes of progress at the inquest, and took away photocopied documents, the originals of which they already had.

There are reports in Canberra that police even seized an English history text because of a series of numbers and a name written on the fly-leaf. The name was "Baeda", the Germanic version of Bede, and the six numbers, 672-735, were those of the years in which the Venerable Bede lived and died. They are not the name and telephone number of a sinister contact. The number, in fact, is at the ACT Supreme Court.

Eastman had lodged a formal complaint about an incident near his home in October when a man, said to be a plain clothes police officer, allegedly shoved him a number of times and used abusive and threatening language. AFP internal investigators are also following up a complaint about the October raid. At about this time, several media outlets received hoax calls that Eastman was to either to be raided again or arrested.

The police made a lot of fuss about a gun-case found in a drain under a disused portion of the Federal Highway just outside Canberra. They suggested that the find might be significant in the Winchester investigation. The inference was that the case had only recently been found and may have been directly linked to the murder. As it turned out, it had been found in the drain eight months before the murder and the gun inside it had nothing to do with the killing. The gun and its case had actually been in police custody at the time.

The only relevance of the gun and its case, and a quantity of medicine bottles found nearby, was that these may have belonged to Eastman many months before the murder (although this has not been established).

The zeal with which police have pursued Eastman has been astonishing. Some of their actions can be understood by examining the attitudes of senior police involved in the case.

One of those senior officers, Detective Commander Ric Ninness, the operational head of the Winchester investigation, went into the witness box during the inquest to talk about his dealings with Eastman. The more he was questioned about his attitude to the man, the more he gave away about himself and an attitude which permeates police forces everywhere. That attitude involves an acknowledgement of a person's legal rights, including the right to remain silent and not answer questions, but only sometimes. It does not, it seems, apply to people like Eastman.

The following extracts of in-court dialogue between Ninness and Eastman's solicitor, Warren Donald, demonstrate the point.

Donald: Do you believe my client was "hiding behind the system" and "the screen of silence" (when he refused to answer questions)?

Ninness: Yes.

Donald: You object to this system?

Ninness: When it is used by the types of Mr Eastman.

Donald: What type is he?

Ninness: He has two personalities. There are two Mr Eastmans. One is paranoia. He is an extremely violent and dangerous person. The other is very meek and mild . . . I was attempting to approach this one to get an interview.

Commander Ninness suggested that Eastman broke the law whenever he wanted to. He had been involved in major conflicts on Commonwealth premises and had driven neighbours from their homes. But whenever he was challenged, he went straight to a solicitor and refused to discuss things. He had later won an appeal on a legal technicality.

Donald: This is the part of the system he relies on?

Ninness: Yes.

Donald: You don't approve of the fact that he chooses to exercise his rights?

Ninness: He has rights, including the right, if he's an innocent person, to stand up and give an account of himself . . . He may have a perfectly good excuse . . . (and be able) to vindicate himself.

Commander Ninness agreed that he had told Eastman: "There'll be a lot more things damaged (other than some files) before this case is done, my son", but he had been referring to Eastman's reputation. He had not been putting fear in Eastman's mind, but wanted him to know "We were not going away by him just waving a magic wand".

Donald: You don't like my client.

Ninness: No. I don't think anybody else does either.

2. The other suspects

THE Australian Federal Police has committed vast resources in its efforts to track down Winchester's killer. The bill is believed to have passed well over the $1 million mark some time ago.

As well, the Office of the Federal Director of Public Prosecutions has had four senior lawyers engaged virtually full-time on the Winchester inquest since April.

The head of the team, John Dee, is the No 2 man in the DPP and earns about $80,000 a year. Joining him are a senior DPP lawyer on $70,000, and a principal legal officer earning about $50,000. As well, the DPP has called Paul Coghlan from the Melbourne Bar and is paying him $1000 a day. The DPP's salary bill could get close to $400,000 by the time the inquest finishes. The financial drain on a relatively small organisation is immense.

On top of this is the cost of the Coroner and the ACT Chief Magistrate, Ron Cahill, and his staff and the fact that the taxpayer is footing the bill for the legal representation at the inquest for Winchester's widow, Gwen, and the principal police suspect, David Eastman.

Two questions have arisen from this vast commitment of public funds. The first is whether there should be a long, drawn-out and all-embracing inquest in the first place. An inquest is meant to establish the manner and cause of death. Depending on one's point of view, it has, instead, turned into a Royal Commission into and/or a public vilification of Eastman.

Cahill publicly declared that one of the purposes of the exercise was to allay public concerns about the police investigation. Whether those concerns have been allayed is quite another thing. The feeling in the Canberra community is that there is far from an open-and-shut case against Eastman.

And that leads to the second question. Why have police committed so much of their resources to Eastman and so apparently little to other promising lines of inquiry?

The team investigating Eastman has, at times, contained up to 35 officers. At least 20 were working on the case full-

time for lengthy periods. Despite this most thorough of investigations, it is uncertain whether some key police actually believe Eastman was the killer.

While a small army of police have been pursuing Eastman, a handful have been given the task of investigating 20 other suspects or groups of suspects. In several cases, just two constables were allocated the task of checking out the suspect.

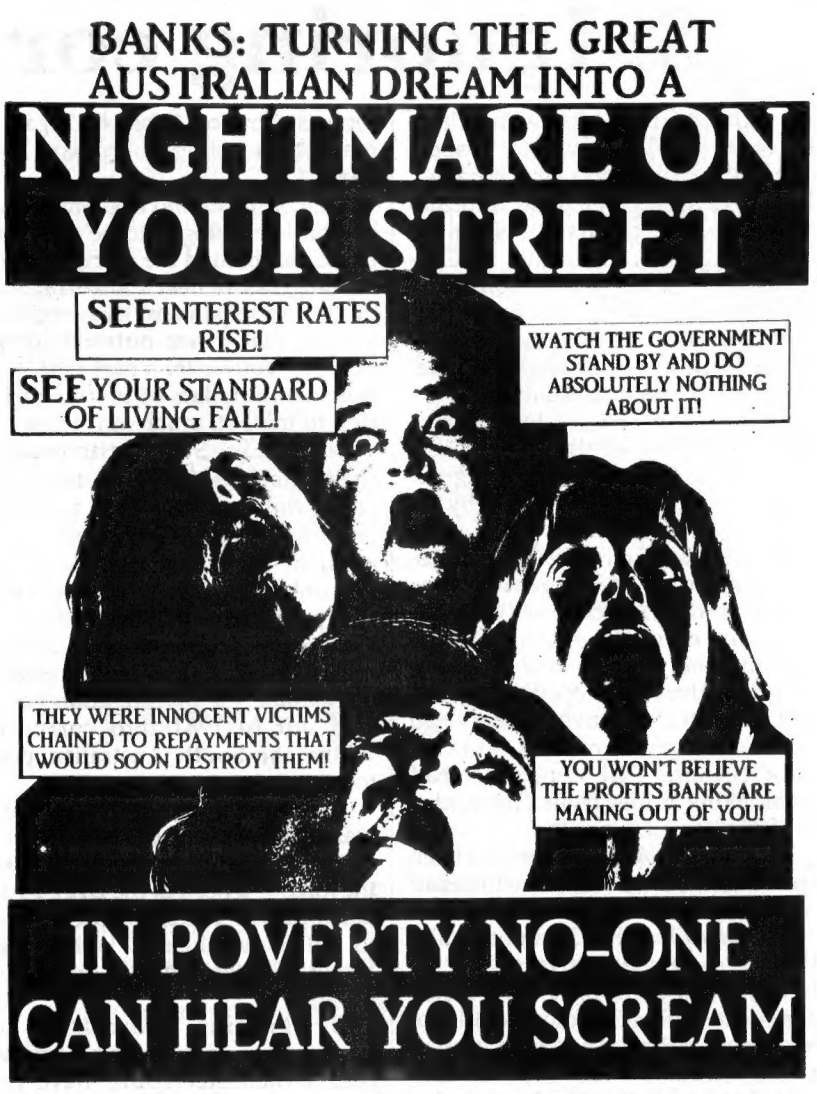
In almost all cases, the possibility that any of these persons was involved in the Winchester murder has been brushed aside by the AFP as being without foundation. It is true that none of their inquiries has so far uncovered any strong leads, but in a number of cases enough has been uncovered to give rise to a suspicion worth pursuing. In some cases, the reasons given by police for not pursuing a line of inquiry have been far from convincing. Details of some of the other suspects investigated by the AFP follow:

Suspect A: A NSW detective. Police were told anonymously that a NSW detective had supplied the Winchester murder weapon. This detective is facing serious criminal charges and has recently been linked to a Sydney drug dealer and brothel owner. His name has been mentioned in relation to the illegal supply of weapons in the past. Several guns were seized during a raid on his home some time before the Winchester murder. Although they had a search warrant, police who interviewed the detective in July did not search his home.

Suspect B: An SAS private. Army Security told the AFP in January that it had been investigating a Perth-based organisation suspected of being involved in international drug escorts and, perhaps, assassinations. *(See box P14)*. This organisation employed serving and former SAS members, including one the Army believed had been in Canberra the day of the Winchester murder. The 21-year-old New Zealander was interviewed by the AFP and produced an airline ticket dating his arrival in Canberra (from Coolangatta) the day after the murder. It is possible to fly on a different day to the one shown on a ticket — police did not check the man's story that he had been staying with his mother before the trip to Canberra. During a search of his barracks, the Army had uncovered unlicensed weapons. It had the man under surveillance on suspicion of stealing military equipment. The man avoided Army surveillance before flying east. A medical report suggested that the man was unstable, should not be in the SAS and "could be another Hoddle Street man if given the opportunity". The AFP conducted no forensic tests on his property and clothing.

Suspect C: An unidentified Lebanese. A drug-dealer/informant told police that a NSW police officer had been involved in the Winchester killing and that another senior AFP officer would be the next to die. He provided a name in relation to the supposed second killing. The motive for the murder had been Winchester's likely appearance in a drug case in which corrupt police could be exposed. (Winchester was shot less than a month before a major cannabis case opened in the Queanbeyan Local Court in which he was likely to have been a witness). The name given to police turned out to be Lebanese. Police identified five possible suspects, but cleared each of them of serious suspicion. They agreed that they may have not identified the correct person and have not completely ruled out the informant's claims.

Suspect D: An Australian-Italian hitman. A Western Australian prisoner told police that another prisoner (who later denied all) had told him that Winchester had been shot by an Italian-born former Perth resident on behalf of an Italian group, some of whom are well-known members of the Calabrian Honoured Society. The WA prisoner said the hitman had been living in Italy but had flown to Australia for three days for the killing. He had been assisted by a second man who had kept Winchester under surveillance. The alleged hitman's girlfriend said the man had been with her in Italy between October 1988 and April 1989, apart from two days when he had travelled to Germany. The father said his son had met him on arrival. It is understood that the Italian police have passed information to Australian authorities about the alleged hitman. **Rod Campbell**



Greed Graphics 1990

3: Ignoring corruption

FEDERAL Police knew that there were good reasons to suspect that Colin Winchester was crooked. They had been given solid information that he had taken bribes from the Pine Lodge casino/brothel in Canberra. As well, his supervision of police-sanctioned marijuana crops outside Canberra was extremely sloppy and/or corrupt — either way it demanded serious investigation.

Instead, the Feds were happy to generate piles of unctuous bilge about how a fearless crime fighter had been cut down in his prime by the forces of darkness.

While teams of police sat eavesdropping on David Eastman from the flat next door, presumably in the hope that he might mumble a confession in his sleep, it took television reporter Chris Masters to alert the Feds — after the investigation had been under way for months — to a file on allegations that Winchester had been taking bribes from Pine Lodge in 1978.

At the time, Winchester had been working in the ACT Police which had not yet been amalgamated with what was then called the Commonwealth Police. A former partner in Pine Lodge, Peter Nelson, himself an ex-cop, went to the Commonwealth Police to report that he had been present when Winchester took what he estimated to be $2,000 in cash as a bribe.

The file was only dusted off after Masters revealed its existence. As the inquest has since been told, much of the material relating to Pine Lodge has disappeared, including a prosecution brief, tapes, transcripts and reports about other bribe allegations made by a young policeman, Keith Banks.

One of the casino operators was a person later alleged to be one of the principals behind the marijuana crop at Bungendore near Canberra. Some of the participants in this crop have alleged that it was outright corruption on Winchester's part that led to millions of dollars of marijuana getting to market, much of it ripped off by some heavy Sydney criminals and their sidekicks. (Larger questions of corruption in relation to 11 marijuana crops have been raised by NSW independent parliamentarian John Hatton, only to be met by a stone wall.)

Apart from other leads to Winchester's corruption while working in Canberra, there is also reason to re-examine the investigation he carried out in 1981 into corruption within the South Australian police force.

He found none. Maybe again it was a simple case of incompetence. But corruption plainly existed within the force — a head of the Drug Squad, Barry Moyse, has subsequently gone to jail. Nevertheless, Winchester's career with the Feds did nothing but prosper.

By ignoring information that would have required an admission that Winchester could have been bent, the Feds cut off plausible lines of inquiry into possible motives for the murder. He could have been killed, for example, as result of a falling out with those who were in various crooked deals at some level or other. But the cover-up persisted for so long after the murder that we'll probably never know what happened.

Instead we have been bombarded with an array of extraordinarily defensive reactions from the Federal Police. On April 3, the force's Director of Information, Philip Castle, issued a press release claiming to "refute" a number of points made in the April/May 1989 edition of *The Eye*.

Unfortunately some of the key "refutations" were contradicted soon after at the highest levels of the Federal Police itself.

Castle denied that the Feds had "authorised" or "approved" the Bungendore crop. He even made the ludicrous claim in his statement that "the only thing cultivated was an informant", despite clear admissions in official police files available to this magazine that some 10,000 to 15,000 marijuana plants were cultivated with Federal/ State "agreement".

The Federal Police Commissioner, Peter McAulay, himself admitted on the ABC's *7.30 Report* on April 11 that the crops had been "authorised" at a senior level but Castle insisted that he was wrong too. What's more, Deputy Commissioner Roy Farmer told Masters on *Page One* that the crops been allowed to go ahead after Winchester brought the proposal to him.

But whatever word is used, the inescapable fact is that Winchester allowed the marijuana to be grown and accepted money from the growers on the basis that he was in on the deal. In a statement made at the time to a Goulburn detective, one of the figures involved in the crop even said that the plantation was half-owned by police.

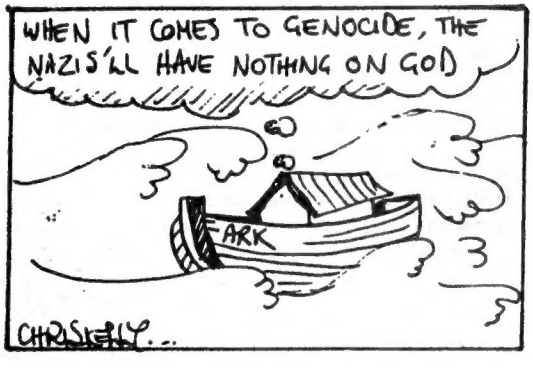
All of which would seem fertile ground for a genuine investigation rather than reason to concentrate of having Eastman charged. The latter attempt, however, almost came off — one consequence would have been to end the prospect that the information about Pine Lodge and Bungendore would see the light of day in the inquest.

- B.T.

Great Moments in Diplomacy

"Occasionally that emotion boils to the surface . . . with allegations of the most vitriolic kind being hurled by one side or the other about genocide and personal murderous behaviour . . . The stumbling block is the history that's just burnt into the hearts and minds of the key Cambodian players. (Not) until we can get rid of some of that baggage . . . will we be able to solve the situation."

Gareth Evans, Paris, 30/8/89



Brigadier Spry: horrified by a filthy play MI5's Hollis took him to in London.

Arthur Calwell: cooperated with ASIS over Indonesia and China.

Major-General Cawthorne: told CIA to draw in its tentacles in Australia.

This costly toy

By WILLIAM PINWILL

THE memoirs of an eminent Australian diplomat will make waves in the intelligence community if they ever see the light of day. Among the highlights:

- The Australian Security Intelligence Organisation (ASIO) under Brigadier Charles Spry was training Indonesians as spy-catchers while Australian spies were bumbling around Jakarta.
- The Australian Secret Intelligence Service (ASIS) engaged in attempting to "buy elections" in Asia.
- Asian students who came to Australia under the Colombo Plan were recruited by ASIS to spy on their own governments when they returned home.
- ALP leader Arthur Calwell gave secret cooperation to ASIS over Indonesia and China while he was Leader of the Opposition.
- The identity of the first ASIS officer sent overseas under diplomatic cover was probably "blown" within a year of his arrival in Jakarta.
- The CIA became so active in Australia in the early 1960s that the head of ASIS officially requested it to "draw in its tentacles".

The Eye was shown part of the material in the memoirs on the understanding that the author's identity was not divulged.

> "ASIS has a peephole view of the world, with a high cost for each grain of knowledge . . ."

The diplomat, a distinguished Australian who served in senior ambassadorial posts, is an outspoken critic of Australia's intelligence and security services.

He says of ASIS ,"This costly toy is not needed", and claims that Sir Arthur Tange, when secretary of the External Affairs Department, shared this view. He accuses ASIS of taking "a peephole view of the world", extracting "a high cost for each grain of knowledge".

The diplomat makes scathing comments about Richard Casey, then the Foreign Minister, his "passion for para-military activities" and his fascination with "the cluck-clucking of the secret service". He believed his judgment was impaired by intellectual and temperamental defects, although he admitted Casey was someone he could not help liking and even admiring.

Casey told the diplomat that one of his problems was that he could rarely get to see the Prime Minister, the autocratic Robert Gordon Menzies. "He waits weeks to see him for 15 minutes. And Menzies won't answer the letters which he writes to him in default of the talk he can't get with him. Menzies has a safe crammed with unanswered papers. If he finds a matter difficult he

Continued on page 12

gleebooks

More books than at Which one can point a stick.

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Continued from page 11

just puts it away in a safe."

The former ambassador confirms the view that the Liberal Prime Minister had little time for Australia's neighbours. "Menzies is anti-Asian, and particularly anti-Indian. He can't help it. Menzies is also anti-Diplomatic Service and whenever he can he ricicules Casey on his striped-pants men."

He describes Casey as "a romantic who always falls for magic and short cuts — the nonsense about winning a battle because of a whispering campaign started in the local bazaars" [the formation of a "corps of whisperers" was one of Casey's instructions to ASIS], "the short-cut to real knowledge, the mysterious meetings with deferential and promising persons in place of the tedium of studying documents and systematic reports, and his inability to see beyond the surface."

Yet he makes warm personal remarks about two ASIS directors, Alfred Brookes (1952-57) and Major-General Sir Walter Cawthorn (1960-68). He describes Brookes as "a gentleman, intelligent and well-trained", though he tells how ASIS deteriorated under Brookes' direction. Cawthorn, though "a plodder and not very bright", could be trusted because he was "so impeccably honest and honourable". Cawthorn told the diplomat "he had to put up with a great deal from Arthur Tange", whom he strongly disliked.

Brigadier Sir Charles Spry, founder and Director of ASIO for 20 years, emerges from the memoirs as a highly moral man appalled at the flabbiness of England in the 1960s. Spry told the author he was "horrified at the kind of plays being shown in London's West End theatres — sex, dirty sex, abnormal sex, depravity". Unfortunately the head of MI5, Sir Roger Hollis, took Spry to see what the ASIO chief termed "a filthy play", which Lady Hollis proceeded to praise. It's perhaps no wonder Spry said he was shocked at MI5's flabby attitude to security and the communist danger.

Spry also believed homosexuality was "growing apace in England and Australia", and ASIO had taken action against two External Affairs officers because of their perceived homosexuality.

The dirty tricksters

THE head of ASIS from 1960 to 1968, Major-General Sir Walter Cawthorn, had worked in intelligence most of his life, including a stint with Britain's SIS in the Middle East. He was a friend of the legendary CIA Director, Allen Dulles, who had persuaded him to accept the ASIS post. So his request to Dulles to get his men in Australia to "pipe down and draw in their tentacles" must have been motivated by serious concern.

The CIA station chiefs in Australia at this time both had extensive backgrounds in "dirty tricks" with the Agency's clandestine services division. Valentine O. Goodell (who has not previously been identified as the CIA's man here) had been station chief in Jakarta from 1956 to 1958, the heyday of US intelligence interference in Indonesia.

A former champion cross-country runner at Syracuse University, New York, where he studied forestry, Goodell had worked for a US rubber company in Indonesia before World War II and knew the country well. In 1952 he was appointed head of the Indonesian branch at CIA headquarters and was posted to Jakarta four years later.

Former CIA officer Joseph B. Smith, in his authoritive expose of the Agency, Portrait of a Cold Warrior, describes Goodell — without naming him — as having "fewer scruples than any man I ever met".

It was under Goodell's regime that the CIA armed, financed and supported the disastrous anti-Sukarno rebellion in Sumatra and Sulawesi, exposed when CIA pilot Allen Pope was shot down on a bombing run over Ambon.

The CIA-backed rebels surrendered on June 26, 1958 — one of the Agency's first major covert action failures. Goodell was removed from Jakarta on September 7 and started work in Melbourne on January 25, 1959.

His successor as Australian station chief in 1961 was another covert action specialist, William B. Caldwell, who had failed as station chief in Cuba when Fidel Castro took over in 1959. He was joined in 1962 by Robert L. Walkinshaw, an experienced operative who had served in Indonesia.

Also based in Melbourne, with the cover of Labor Attaché, Walkinshaw succeeded in getting close to both the DLP and its spiritual father, Bob Santamaria, and union figures such as then ACTU advocate Bob Hawke.

Valentine O. Goodell, cross-country runner: class photo

Richard Stallings, the first head of the CIA satellite ground station at Pine Gap, later complained bitterly that the then station chief, Raymond Villamarette, had interfered so vigorously in domestic politics — particularly against the Left and the unions — that it threatened the future of Pine Gap if ever a Labor Government won office.

The diplomat's memoirs do not specify the nature of the CIA activity which Major-General Cawthorn found so disturbing.

> "The ASIS man has the deformity of his trade: the tendency to describe every non-conformist as a communist"

But the author is critical of ASIO's own security, and especially the fact that in 1963 it was training Indonesians in security intelligence — which he saw as clearly against Australia's interests. (The Indonesian trainees, according to the memoirs, had shown their true colours one night by getting drunk and singing anti-European songs.)

The diplomat's experience in Asia over a number of years gives weight to his revelations and assessments. He describes a British SIS report on subversive communist activities in the Far East as "speculative and highly slanted", commenting that "intelligence about communist subversion is largely bogus and does little to add to the picture — for all the large sums of money paid out in collecting it".

He says the first ASIS officer sent abroad under diplomatic cover (to Indonesia in 1954) was inappropriate for the task. He drank a lot and talked too much. *The Eye* is unable to name this particular officer as a result of Federal Court proceedings associated with the publication of the book *Oyster*. Yet it seems his identity as a spy was known to the Indonesians within a year of his arrival in Jakarta.

The memoirs say the ASIS station commander's secret contact in the Indonesian Security Service was sacked, and thus the Australian's true role was "probably known" to the Indonesian authorities. The ASIS man, says the diplomat, "has the deformity of his trade: the tendency to describe every non-conformist as as a communist. Such signs as this and the standards of the Australian counter-intelligence service [ASIO] are rather disturbing."

The memoirs quote Alfred Brookes as saying the ASIS output from Indonesia in the mid-1950s was "nil".

There was a second ASIS officer in the Australian mission in Jakarta at this time, J. Llewellyn, posing as an Assistant Trade Commissioner. He seems to have been rather more plugged in than his station commander, though the author relates how Llewellyn wrongly forecast the success of abortive coups attempts in 1956 organised by Colonel Zulkifli Lubis, a former head of army intelligence. Lubis went on to play an important role in the failed Sumatra rebellion of 1958, which was supported by the CIA and Australia.

The diplomat tells how the CIA was backing an Indonesian Muslim political party called Masjumi, which was believed to be pro-Western. He also reveals that "buying elections and parties" was one of the "special services" of ASIS. [If Masjumi was a recipient of Australian largesse it was a bad bet. It promptly went into decline, and its withdrawal from the government in 1957 led directly to the imposition of "guided democracy" by President Sukarno.] The diplomat was later involved in discussions with Cawthorn about "getting one of our men into Hollandia before the Indonesians take over West New Guinea". The ASIS officer, Jim Grey, had a brief and unsuccessful tour of duty in the province now called Irian Jaya.

The memoirs record a meeting in 1963 at Victoria Barracks in Melbourne with "Cawthorn's people, a group of ten including three or four women: Alan Bartlett, Captain Marshall RAN, Alan Rowley [seconded from Britain's MI6 for three years as Director of Operations] and Dick Austin [formerly Tokyo station commander]". He learnt with surprise that Miss Best, a secretary in External Affairs, was a member of ASIS.

He tells how he dined with the Cawthorns at their Toorak home, where his host, "Christian as he is, made a bitter attack on Tange". The ASIS chief had been especially upset by Tange's caustic remarks about ASIS staff, including former External Affairs officer Dick Austin. Tange had snapped, "Get him out of my hair." The author of the memoirs, however, had no great regard for Austin, whom he describes as "a pipsqueak and thruster". He writes that Austin faced potential problems as ASIS station commander in Japan in the late 1950s because ASIO planned to send an officer to Tokyo — the first authoritative report that the domestic security service was active in Japan at that time.

Photo: Philip Le Masurier

EDITIONS

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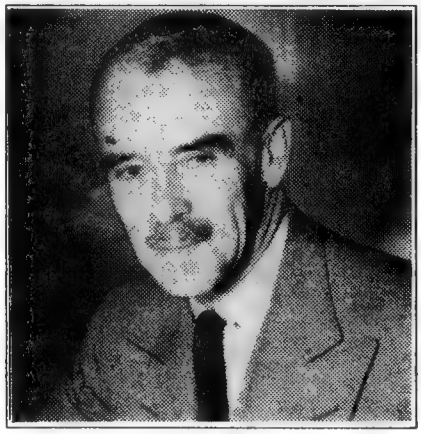
One aspect of ASIS' methods of operation in Asia caused deep concern to diplomats, according to the memoirs. This was the use of ordinary Australians living there as ASIS intelligence agents, who in some cases were to engage their own sub-agents. Under this arrangement, the ASIS officers in the Australian Embassies became merely "intermediaries". In Jakarta, for example, the station commander spent months doing nothing but "a tabulation and analysis of Australian residents" — i.e., investigating their professional and personal lives to assess their suitability as secret agents.

ASIS Director Brookes was evasive when diplomats raised doubts with him about the qualities and qualifications of these amateur spies. The memoirs note that this practice was not followed by British intelligence, which was staffed by "really picked, really qualified and really superior men".

Cawthorn is depicted as having a relatively enlightened view of the CIA. He believed it was "mistaken CIA policy that had made Castro a communist", and in 1962 he feared the Americans were on the same path with Sukarno. He described CIA policy in Indonesia in the early 1960s as "wrong and very dangerous".

The memoirs tell how Cawthorn visited Washington about this time, where "one of his main jobs was to get the CIA to make some of their CIA men in Australia pipe down and draw in their tentacles". (See box page 12.) This evidence that the CIA was engaging in unacceptable activities in Australia is strengthened by the author's comment, "If that happens in Australia one can imagine what was going on in Laos."

[The diplomat's comparison with Laos in the early 1960s is instructive. Eisenhower and Kennedy had turned the Agency loose in the tiny Indochinese kingdom, making it a CIA playground. The CIA unsuccessfully backed a right-wing politician, Phoumi Nosavan, against moderate and left leaders, and poured millions of dollars into secret political and military operations. In one Laotian election, according to eye-witnesses, CIA agents distributed bagfuls of money to village headmen. In Australia, the breakaway Democratic Labor Party, inspired by the right-wing ideologue B.A. Santamaria and financed from unknown sources, managed to keep the ALP out of power.]



Lord Casey: judgment impaired by intellectual and temperamental defects.

Cawthorn, according to the memoirs, was close to ALP leader Arthur Calwell, and there have been previous reports that Calwell was briefed about ASIS, or in the jargon of the trade, "listed". The memoirs cast fresh light on this. They reveal that about two months before the December 1961 election, "Cawthorn persuaded Menzies, in the teeth of Tange's opposition" to tell the ALP leader of the organisation's existence. Calwell was astonished, but said it was a good thing and he was "delighted" to have been briefed. He asked how it was funded, and when told the money came secretly from Def-ence and External Afairs budgets, he agreed.

Calwell then made a request, "that no-one else in the Labor Party be told" about ASIS. This meant that his deputy, Gough Whitlam, was kept in the dark, though he eventually learnt of its existence from the Malaysian Deputy Prime Minister, Tun Abdul Razak. Cawthorn's successor as ASIS Director, Bill Robertson, wanted to brief Whitlam when he became Opposition Leader, but Liberal PMs Gorton and McMahon both refused to allow it.

Cawthorn told the diplomat he proceeded to see Calwell regularly and kept him informed on on ASIS activities. The ALP leader was "enthusiastic, and in turn helps our people over China (Calwell speaks Chinese) and Indonesia (where he has good contacts)".

The fact that Calwell's platform for the 1961 election — which Labor lost by only one seat — highlighted recognition of communist China and bringing home Australian troops from Malaya helps to explain the opposition of people like Tange and the Americans. But the symbiotic relationship between the spy chief and the socialist further demolishes the myth that Labor politicians can't be trusted on intelligence matters. Hayden was the most cooperative minister ASIS had had since Casey, and Evans is not far behind. Even Whitlam, perceived as a dangerous security risk by the CIA, put few obstacles in ASIS's way.

Another ALP figure, however, fared less well at the hands of ASIS. According to the memoirs, the movements of Dr John Burton, who had been Evatt's head of the External Affairs Department when he was minister, were followed by ASIS when he travelled in Asia in the late 1950s. The diplomat considered this "improper".

Another ASIS activity he found distasteful was Casey's use of the Colombo Plan to subvert Asian students. Casey told the author he had "recently acquired Colin McDonald, a retired West Australian previously with *The Times*, who is to work amongst Colombo Plan students from Asian countries and to pick out what are eventually to be intelligence agents". This is the first evidence that the Colombo Plan, an Australian initiative widely praised for its liberal and and humanitarian achievements in training young people from the Third World countries of the Commonwealth, was perverted for espionage purposes.

It is the author's intention that the memoirs become public after his death.

Licensed to kill?

ONE of the most extraordinary items to surface during the Winchester inquest concerns a well-known security firm. According to information given to the Federal Police by Army Security, this firm is suspected of being involved with overseas assassinations and with providing escorts for drug couriers.

Its employees include former members of the Perth-based Special Air Service. (Serving SAS members work on a part-time basis for some firms.)

No details have been given of what evidence Army Security has to support its suspicions about the involvement in assassinations or in assisting drug shipments. But there is clear evidence from other sources that the particular firm has been engaged in supplying mercenaries for overseas operations and there is nothing inherently improbable about anything ex-SAS people might do.

At the very least, the Federal Police could be expected to undertake a searching investigation of the claims. But this has not occurred. Nor has the Army taken serious steps to ensure that their recruiting and training methods for the SAS do not encourage its members to become killers-for-hire. The task is not simple — after all, the intensive training focuses on ways to assassinate people — but the Army's screening and follow-up procedures have done nothing effective to discourage employment by rogue security firms, drug barons, crazed mercenary bands, terrorist groups and bloodthirsty intelligence services.

The Eye 1990 ALMANAC

By John Birmingham and Roger Raftery

Jan 8 Bob Hawke nominates Malcolm Fraser for the position of Chief Commonwealth Scout. He is pipped at the post by a Zimbabwean cub mistress with better-looking knees.

Jan 10 Alan Border and the Australian cricket team launch a surprise attack on Indonesia. Taken completely off guard, the Indonesian armed forces are swept aside in under a week. The Australians win the Benny Murdani Cup and Timor Oilfields.

Jan 23 The Greiner government backs Tamworth's bid to host the World Hillbilly Olympics in 1996.

Feb 5 Neighbours begins appearing on TV screens all over the Warsaw Pact. There is an unconfirmed report that Bob Shanks has been seen heading for Moscow with a container load of custard.

Feb 17 Sir Peter Abeles claims that Ansett Airlines will be back to "full capacity" by the end of March.

Feb 23 As part of a "fire sale" of assets Bond Corp sells the Chilean Telephone system to Rupert Murdoch, who announces his intention of adopting Chilean citizenship.

Feb 27 The Stockmarket crashes.

Mar 5 The PM still refuses to release the date of the election or even comment on whether it might have already slipped by unnoticed. "Might have", he said, "I'm still here aren't I".

Mar 8 The East German government announces that John Howard will be new leader for a few weeks.

Mar 9 Alan Bond, Christopher Skase, Laurie Connell and Bob Ansett file for bankruptcy. Custom Credit refuses them a loan of $300 to establish a hot dog stand at the Melbourne Cricket Ground.

Mar 16 In a momentous "Independence Summit" Mikhail Gorbachev settles all outstanding Soviet ethnic and territorial grievances and disputes. After the necessary border rectifications have come into effect the USSR will henceforth consist of the Kremlin and two stations on the Moscow Metro line.

Mar 22 Federal Police declares the Winchester killing an "aggravated suicide" and close the file on the case.

Mar 25 Australian Post publishes photographic "proof" that Buddy Holly is alive and well and living in Brisbane under the name of Elvis Presley.

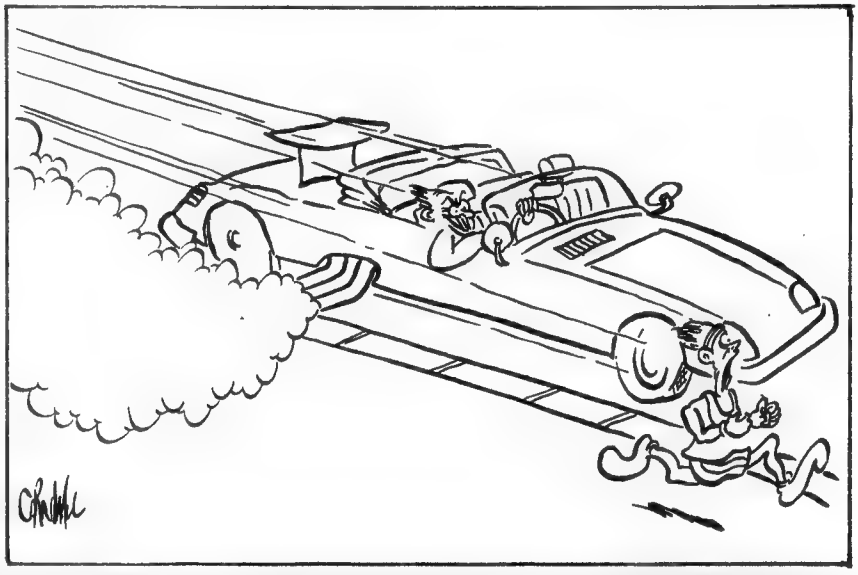
April 1 A recount is ordered in the Queensland election. Following the decimation of the three major parties the Governor invites the uneasy coalition of the Greens, the Festival of Light, the Party to Expose the Petrov Conspiracy, and the Party Party Party Party to form a government. They agree to rotate the Premiership and Treasury position every second week, excepting where such an arrangement would require the Christians to work on holy days of obligation, or the Greens to be present during periods of equinox or solstice, or the Party Party Party Party to turn up when they don't feel like it. The Petrov Party say they don't really care about the Premiership or Treasury as long as they are allowed to wear raincoats and false beards to Parliament.

April 7 An East German/Kumagai Gumi consortium is awarded the contract to remove the remains of the Berlin Wall. The rubble is to be shipped to Australia to construct two unleasable highrise office blocks.

April 15 Sir Peter Abeles claims that Ansett Airlines will be back to "full capacity" by the end of June.

April 19 Citing the need for a mandate to "get tough with pilots in the

Continued on page 16



The three most unlikely events of 1990

The dustbin of history: "There is a lot of sloppy talk going around this country at the moment that there should be no place in the concerns of a Labor government for the Alan Bonds of this world. I want to repudiate that nonsense unequivocally. It would be a perverse sort of discrimination in our society if we didn't recognise the enormous contribution of the Alan Bonds and the other great risk takers and entrepreneurs of this country." R.J.L. Hawke, 13/11/87

airline undispute" PM Hawke calls an election for "sometime in the future". Denying that he has to tell anybody the exact date the PM says:"Listen, you wouldn't expect that, where you have a situation of undispute such as this which hasn't dragged on for this long not crippling the economy anymore because we've fixed it all up, I'd give away our position in such a stupid fashion . . . who knows we might have already had the thing eh?"

May 7 There is still no reply from the Opposition who are thought to be at the Club Med Phuket Thai for their scheduled monthly leadership spill.

May 11 Despite the protests of many Catholics the Pope makes his first scheduled landing on South African soil. At an outdoor mass in Soweto he demands that the South African Government treat all its citizens "with love and justice", and that Desmond Tutu gets any ideas of ordaining women right out of his head.

May 12 Rupert Murdoch brings women wrestling in Aeroplane Jelly to Mongolian TV. Proudly proclaims he has always felt a Mongolian at heart. Adopts Mongolian citizenship.

May 13 The Stockmarket crashes again.

May 24 The Soviet Union withdraws all its troops and tanks and guns from everywhere, renounces world domination, and leaving an apology and a box of Cadbury's Soft Centres under the pillow, it slinks out of the front door with its shoes in its big hairy paws.

June 5 NSW Independent Commission Against Corruption agrees to parity system: one Opposition member to be dragged through the media for every Government minister.

June 9 Rupert Murdoch takes over Albanian *Workers News*. Adopts Albanian citizenship saying there's always been a corner of his heart that was Albanian. As a gesture of international environmental consciousness recycles the Page 3 girls from his London *Sun*.

June 13 Sir Peter Abeles claims that Ansett Airlines will be back to "full capacity" by the end of September.

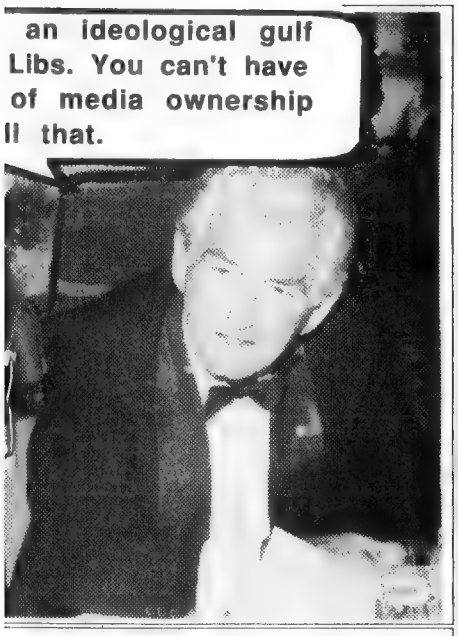
June 20 The sole remaining asset of the Bond Group, Signs of the Times Signwriting Ltd (A. Bond proprietor and leading brush-hand), is placed in the hands of the receivers.

July 3 Senator Richardson rams through a bill requiring the use of recycled ballot papers in Federal elections. Democrats fail to get an amendment passed that would have insisted that previous votes giving a majority for Labor be excised from the papers first. Richardson explains that the deinking process could harm the fragile ecosystem discovered by Burley Griffin.

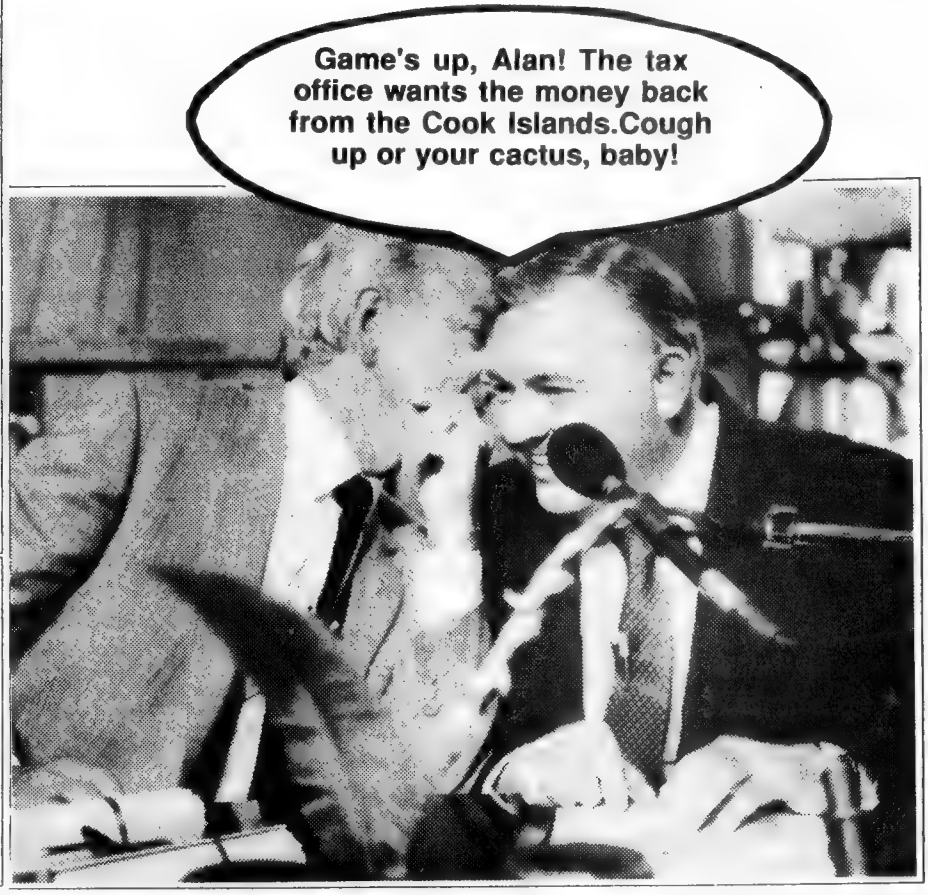
July 9 Wally Yokell, Chairman of the Barcoo Bugle & Weekly Times Group, announces a takeover bid for MGM/UA and Twentieth Century Fox.

July 14 The Communist Party of Australia, following world trends, votes itself back into existence. It will be reconstituted as the Commissariat of Private Avarice (CPA).

Aug 3 The Federation of Australian



"I am pleased as Prime Minister of this country to count as a close personal friend and to measure as a very great Australian, Kerry Packer . . . and when you talk of Kerry you almost inevitably lead to Alan Bond . . . to you, Alan, congrats for all your achievements and may I thank you for your generous comments about the Government."
R.J.L. Hawke 3/7/87



Commercial Television Stations (FACTS) advises its members of a tough new policy, laying down that at least 30 minutes of new material per day must be broadcast during any ratings period.

Aug 7 Sir Peter Abeles claims that Ansett Airlines will be back to "full capacity" by the end of December.

Aug 15 Rupert Murdoch takes over *Estonian Echo*. Adopts Estonian citizenship.

Sept 4 Special Prosecutor Doug Drummond QC charges Sir Johannes Bjelke-Petersen with having been blind and deaf in a public area, viz. the Administration of Queensland, without a white stick or a yellow raincoat.

Sept 13 President Cory Aquino of the Philippines announces that her government does not intend to renew leases for United States bases in her country.

Sept 14 Mrs Aquino says she was the victim of an unfortunate slip of the tongue yesterday. She actually meant to say she *did* intend to renew the US leases; but a military revolt has already broken out anyway. Mrs Imelda Marcos returns in triumph at the head of the victorious forces. Maintaining that her husband is not really dead but paralysed from a bad stroke, she installs his remains in the Presidential Palace and rules as regent. Her first official act is to sign the renewed leases for US bases.

Sept 25 Scientists report that the mysterious hole which has opened up in Australia's overseas credit rating appears to be growing.

Sept 29 Border and the Australian cricket team defy 40 years of military doctrine on fighting a ground war in Asia to introduce the Burmese to one-day cricket and threaten the economic hinterland of Japan. Interviewed during a break in the looting of Kuala Lumpur, Border reveals that Dean Jones scored his magnificent double century in Ho Chi Minh City while he was suffering from a combination of heat exhaustion and shrapnel wounds. "The only problems we've had on the invasion so far are a touch of Delhi Belly for a few of the lads". Border refuses to be drawn into over-confidence on the team's upcoming Test against the Khmer Rouge, saying: "They're always a tough side to beat on their home turf of course, but we've had a bit of yellow rain on the pitch recently and Trevor's turning the ball nicely. Merv's drinking's under control too".

Oct 9 Warren Anderson announces a new export industry aimed at the Asian market. Tipperary Exotic Meats, he says, will boost Australia's balance of payments by $500 million in its first year of operation from the Japanese market for hippopotamus cutlets alone.

Oct 15 The US Supreme Court announces its team for the next America's Cup.

Oct 27 The Opposition returns from Thailand with a nice tan and some really interesting holiday snaps — honestly they are — and the announcement that this month's leader will be John Howard. Or was it

Continued on page 18

Peacock's turn? Or Elliott's? Has anyone got the results with them, I think we packed them in with the insect stuff and Iron Bar's duty free. Gosh this is terribly embarrassing . . . look do you think you could come back in a while we really haven't had to unpack and have a cup of tea.

Nov 4 The Stockmarket crashes again.

Nov 5 And again.

Nov 6 The Gigantic Profits Corporation (Incorporated in Liechtenstein) announces plans to build a giant theme park in the Antarctic. The park will be the size of a small megalopolis and will be housed in a hermetically sealed perspex dome. Local themes will include split-level, igloo-style, five-star accommodation, giant mechanical panda rides, a computer-generated graphic reproduction of the ozone hole in the dome, and nuclear submarine rides under the ice cap.

Nov 11 Romania announces deposed East German Leader John Howard will replace the ailing Ceaucescu as Supreme and Beloved Leader of the Freedom Loving Peoples of Romania. Andrew Peacock simultaneously beats Howard for the leadership of Poland, Hungary and the Congress of People's Deputies of the Soviet Union. The leadership competition moves on to Czechoslovakia and Albania which Howard wins easily, and then Bulgaria which goes to Wilson Tuckey in a surprise result. The reasons behind the upset are later revealed on the *Four Corners* program when Tuckey and the heads of Bulgaria's internal and military intelligence services get pissed on four bladders of goat's wine and tell all.

Nov 28 Bill Hayden resigns as Governor-General to become a missionary in Ethiopia.

Nov 30 In a British tabloid sensation it is alleged that Rupert Murdoch is actually an illegitimate fourth cousin of the Queen. Murdoch renounces Estonian, Albanian, Chilean, Mongolian and all other citizenships to become a Pom and is appointed Governor-General of Australia.

Dec 2 Airline deregulation takes effect. Sir Peter Abeles buys Qantas, Australian, and all other operators around the country. Announces that Ansett will be back to "full capacity" by early 1991.

Dec 5 The ALP launches its campaign rehearsal on Sydney Harbour with a recreation of the Bicentennial celebrations including a fleet review, tall ships, fireworks, laser shows, Humphrey B. Bear in a helicopter, and the burning of an effigy of Brian McCarthy. Their slogan for the election is "Floggin's too good for 'em!"

Dec 15 The Stockmarket crashes.

Dec 16 A Boeing 747 crashes into the Stockmarket.

Dec 17 Elvis is pulled alive from the wreckage of the Stockmarket/jumbo crash.

Dec 20 Andrew Peacock beats Mikhail Gorbachev for leadership of the Party in a secret ballot of Communist party deputies, saying that he hopes this will end the leadership question once and for all. Peacock also launches the KGB's new *Future Directions* document. Picturing a smiling family of Kulaks standing in front of a picket-fenced Lubianka Prison, the document is criticised by a wide range of fashion designers as being "overly regressive". John Howard denies he is bitter and invades Poland.

Dec 22 Brisbane, Sydney and Melbourne announce bids for the 2000, 2004 and 2008 Olympic Games, the 1994, 1998 and 2002 Commonwealth Games, a bid for the World Student Games, the next 13 World Expos, the 1991 Pan Pacific Song Competition, and the Ronald McDonald McSpina Bifida Games.

Dec 23 The High Command of the Japanese Home Defence Force surrenders unconditionally to Alan Border and his team after the fall of Hokkaido and Honshu Islands and the retirement through death of opening bowler Tokugawa Iyeasu. The country's new Constitution is drawn up by the Australian Cricket Board. Vice-captain Geoff Marsh is elected Japanese Prime Minister over last-minute challengers John Howard and Andrew Peacock.

Dec 25 The deadline passes for the Federal election. PM Hawke shrugs "Election? What election? Are you completely stupid? The dispute and the election are over. Have been for ages. Now get out of my way, I've got a camel train to catch".

Money Talk

Dear Keith,

You will be pleased to know that your old mate Peter Briggs has bounced right back after his spell in the clink. Last I saw of him he was on Bondy's boat off Porto Cervo in Sardinia (they were there for the maxis).

Briggsie was trying to convince Bond that he really got a good deal out of the sale of all his gold interests to Robert de Crepigny (that took a lot of booze to be convincing, I can tell you). At the same time Briggs was trying to convince Bond to sell the breweries to him. You've got to admire his guts. Bankers are stupid, but I have yet to meet one retarded enough to lend Briggs over a billion dollars. Perhaps he should try Rodney Adler.

Bond was quite amusing. He thought Briggs should be more interested in the petrochemical plant.

While I am on the subject of PICL, do you know that the WA Government and Bond's blokes played along with that sham for nearly 18 months before fessing up. The whisper is that there is more to come out of WA and it will do the Federal Labor blokes no good at all.

The Feds have got enough to worry about, though. The Michael Ross business is by no means over yet. And there's a funny little yarn about the cleaning contracts for some of their more sensitive departments — like Police and Defence. Some of the contracts have been signed by one of this country's most interesting businessmen, and no, it's not Neville Wran. I will keep you posted.

They're finding it hard to laugh through the tears in Queensland now they've lost their mates in government. Goss is said to prefer a drab accountant to a broker. Christ! But the bloke I feel really sorry for is Malcolm Edwards. He was checkmated and chucked off the Ariadne board by Ron Brierley (Sir Ron, now — aren't those New Zealanders unbelievable?). At least Malcolm is still Federal President of the Company Directors Association, which isn't bad going when you think of the failed companies behind him.

Dallas Dempster is a cool dude, too. He has managed to wade through all that shit about the cost overruns on Burswood casino AND through the whole PICL deal (remember he got $50 million) and still come through to negotiate with the Japanese to offload his casino operation. You might remember that Dallas caused a furore within the WA Corporate Affairs Department when a confidential report was leaked which recommended that Dempster and a few others be prosecuted over figures included in the prospectus. Alan Smith, the Corporate Affairs Commissioner, decided not to prosecute. (Smith has since been promoted to Auditor-General).

Well, the West's CAC has managed to practically self-destruct without Dallas's help this time. They've pinned some poor bloke with the blame for messing up the quasi receivership of the Swan Building Society, and put him on 13 weeks enforced leave. He has got back by taking the whole thing to the Supreme Court and has made some pretty startling allegations about political interference at the CAC. The only surprising thing about that is that it has taken so long to come out.

I am pleased to hear that South America is so enjoyable. What a shame you didn't take all your money with you!

It has been a grim year down here and more to come. But we have had a few laughs. The banks have been the most fun. They were still lending to Bond and Skase months after the punters bailed out. They managed to give Bond an extra $1 billion unsecured. It really makes you wonder about these mental giants in grey suits. Is it possible to get that snowed by a day out on Southern Cross, or are the just plain stupid?

All the punters got out — except poor young Rodney Adler, that is. His dad, Larry, was into Bond, of course, but Rodney gave him another $400 million after Larry died. It only confirms my prejudices about the young. Some of the biggest turkeys in business this year have been under 30 — Warwick Fairfax, Rodney Adler and — just outside the age limit — Russell Goward.

Cheers,

ARABELLA

The Walkleys

Drama/News Department

THOUGHTFUL reporters working in commercial TV (yes, there are some left) are getting worried about the growing frequency of "re-enactments" in news bulletins. In the perpetual search for pictures — without which an event is not deemed to have occurred — networks are re-creating segments they failed to catch on videotape.

Channel Seven is a major offender. Its evening news recently faked the voice — accompanied by suitable graphics — of an air traffic controller supposedly telling a scab aircraft to "pull up, pull up" during a safety incident flowing from the pilots' dispute. Viewers were not told that it was not the voice of the air traffic controller concerned, or pictures of the actual incident. Another report showed a distraught mother, hands to face, discovering that her little daughter had fallen in the family pool, while a frantic granny rushed to phone an ambulance. Seven's cameras of course weren't there when this near-tragedy took place, but showed the re-enactment as if it were real. At least they stopped short of hurling the child back into the pool.

The NSW Police, newly sensitive to the benefits of cooperating with the media, allowed one of their helicopters to spiral towards the sea as if out of control — all to provide pictures for a story of a genuine police chopper crash. Again, the news reader gave no indication that viewers were seeing a phoney event.

In themselves, the incidents are not sinister (and indeed the pool story was designed to alert the public to safety factors), but the network's financially strapped owners might ponder the possibility that TV news is in enough trouble as it is without undermining its credibility by re-enactments presented as reality.

Closed shop

Broadcom is in the enviable position of being both a buyer of programs for the Ten network and a seller of programs to the Ten network. Doubtless, the non-Broadcom shareholders in Ten will be interested to see how it all works out. Meanwhile, Steve Cosser — boss of both Ten and Broadcom — wants the cosy oligopoly enjoyed by commercial TV in Australia to continue. He told a conference organised by the Australian Broadcasting Tribunal that, as well as needing local content requirements to be eased, the existing commercial stations should face no new competition for at least three years. This means no introduction of Pay TV, or extra stations, to give viewers greater choice. Walkleys' conscientious scribe at the conference initially thought her ears must have deceived her. After all, Broadcom's directors are fervent exponents of the free market and vigorously oppose protection for industry.

But, yes, Steve said it. Lower protection, it seems, is the sort of medicine needed by the drones in the clothing and footwear industry or scruffy "metal bashers" on the production line, but not for genteel "information-based" industries such as television. Stuff the viewers, we've got a closed shop and like it that way!

As the chums of Nine's Sam Chisholm, who forked out $500 each to buy a Harley Davidson and a Streeton oil for the ex-floor polish salesman's 50th birthday, can testify the closed shop treats its members very well indeed. Guests at the celebratory lunch were rewarded with the chance to marvel at the million dollar plus marble mausoleum that doubles as Sam's office.

Start-up costs

The ABC seems to have got a touch of the Bonds and the Skases. It's busy starting new projects without additional resources to support them. There's the new late-night current affairs program fronted by Kerry O'Brien and the new program for Chris Masters. Both have returned on around double the salaries they were getting when they left the ABC a year or so ago for the short-lived pastures of Channel Ten.

Resources are being diverted from such flagship programs as *Four Corners*, while good reporters like

Stephen O'Dougherty have been given the shove from *The 7.30 Report*.

The O'Brien program, going to air at 10.30, will be hard pushed to make the impact over an entire year that one properly researched *Four Corners* show can do. When not simply introducing someone else's report, O'Brien will spent most of his time trying to cajole some skilled purveyor of political blancmange like John Button to go on his program rather than on Paul Lyneham at 7.30 when far more people will be watching.

The 7.30 Report is crying out for more resources, and more depth, so why start another show at 10.30? With a few more resources there might be the time to cut out Hawke's "Thanks, mate" at the end of his latest interview by Lyneham. (Or even give Lyneham time to realise that only about 9 per cent of the population own shares before he went on radio and claimed that most Australians "have a few shares tucked away", as he did in commenting on the Liberals' speculative gains tax.)

Similar considerations apply to Chris Masters. *The 7.30 Report* could use his talents to great effect, as could the documentaries unit which is crying out for first rate material. Other returnees to the ABC include Lumpy Carroll, former executive producer of the ill-fated *National*, and his companion, Geraldine Doogue. News and Current Affairs Director, Peter Manning, had offered Doogue the job of *7.30 Report* presenter only to return from an overseas trip to find that his delightful boss, David Hill, had vetoed the idea.

At the risk of taking this column's policy of smooching up to Hill to unseemly extremes, *The Walkleys* must admit that the eventual decision to go with Quentin Dempster as anchor is the right one. In any event, if the ABC is desperate to start a new program it could do worse than a weekend round-up with particular emphasis on its overseas correspondents.

Market rewards

John Durie struck a few gems when poking around in the documents Fairfax is required to file with the US Securities and Exchange Commission as part of its junk bond raising. Durie discovered that editorial director, Chris Anderson, who not so long ago was doing a good job handling "Dog of the Week" at the *Sun-Herald*, is the beneficiary of a $US 750,000 loan at five per cent interest amortised as a compensation expense over a ten-year period. Managing director Peter King has got $US 1.05 million on similar terms. They appear to be the best sort of loans — they don't have to be repaid if you soldier on for the 10 years; half has to be repaid if you leave after five years, etc.

Durie filed the story, along with some bleak figures on the overall financial outlook for Fairfax, for both the *Australian* and the *Telegraph*. The *Australian* cut the pars dealing with the loans to Anderson and King — the *Tele* ran them despite giving the overall story less space. Readers of Fairfax papers are yet to receive the benefit of any of the info available for public perusal at the SEC. (Nevertheless, Fairfax is prepared to run stories such as Tom Burton's revelations in the *SMH* about Anderson lobbying Keating to get out of a potential $400 million tax bill — information that would have had enormous trouble seeing the light of day under the old management.)

It's clear from what Durie has inspected, along with earlier digging by the *Bulletin's* Glenda Korporaal that Fairfax is in deep *schtuck*.. To date attention has focused on the troubles of TV, but Fairfax is in the same bind of being unable to earn enough money to service and repay debt. The one ray of light is supposed to be the fall in the price of company's junk bonds that has accompanied the dawning realisation in the US that these fun financial instruments are really very high risk after all.

The theory is that Fairfax will now find it cheaper to buy out the junk bonds. How will it get the money? By floating part of *The Age* on the share market.

The trouble is that any sensible price for *The Age* is unlikely to raise enough money to get Fairfax off the hook and a bigger slice will have to be sold. But not to worry, Kerry Packer will be there waiting in the wings. Along with Rupert Murdoch. Until then, such august newcomers to the Fairfax board such as Brian Kelman and Bob Johnston can ponder US financial whizz Bill Simon's decision

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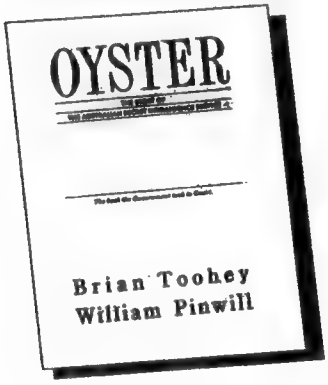

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The Walkleys

Continued from page 21

that he would no longer be joining them because he could not afford the insurance cover against potential writs from disgruntled bond holders.

Fiercely independent

The Bulletin's cover story promising to explain, "Why our media are on the nose", turned out mainly to be a generalised whinge by such "tall poppies" as Alan Bond. You could be excused for thinking they had been forced by the reptiles of the press into going out and borrowing far more than could handle.

The whole tone of the piece was there was far too much "business bashing" in the media, with never a hint that many a shareholder must be wishing that the boot had been placed squarely up the backside of people such as Bond years ago. Instead, what we got from so many journalists for more than a decade was slobbering adulation that turned these men of straw into folk heroes.

One of the few specifics presented in *The Bulletin's* cover story came from its owner, Kerry Packer, who made it plain that he despises most journalists. Despite being the biggest magazine owner in the country, he wants damages of "millions and millions" when journalists get stories wrong.

In a touching display of solidarity with the sensitive publishing tycoon, Murdoch's Australian boss, Ken Cowley, claimed that "the Fairfax press went out if it way to attack Packer", describing it as an example of "media spite".

What Fairfax did was publish verbatim extracts from several reports — including some involving Packer — prepared by Frank Costigan QC for the various governments that had established his Royal Commission. In an effort to protect privacy, no names were published. Reporting what a Royal Commission had to say would scarcely seem to be a matter of Fairfax going "out of its way" to attack Packer. Several other people (also unnamed) were included in the reports without people weeping too many tears about "media spite" on their behalf. In any event, Fairfax apologised to Packer.

Perhaps the most puzzling claim in the *Bulletin* feature came from Nine's Director of Current Affairs, Ian Frykberg, who said that *Four Corners* had invaded Neville Wran's privacy in its *Big League* program of a few years ago.

The man was Premier of NSW at the time and the program made a particular allegation about his contact with a magistrate that by no stretch of the imagination could be said to raise issues of a politician's privacy.

Traffic policeman

Packer and Murdoch understand one another. Insiders insist that when Packer bought the *Canberra Times* from Fairfax at the time of young Warwick's takeover he was warehousing it for Murdoch's News Ltd. They claim that nothing was in writing, although News Ltd had access to the *Canberra Times* figures after the takeover and helped out in various ways. Packer has not sold to Murdoch as the warehousing reports would suggest, but to Kerry Stokes. However, Murdoch is said to quite happy with the outcome — where he can't buy directly he likes to act as "traffic policemen" directing media assets towards players he approves of.

RA gets Red Dick

The appointment of Foreign Affairs official Richard Broinowski as new head of Radio Australia has provoked some understandable concern that the independence of the ABC overseas service may be compromised.

But those expecting "Red Dick", as the former Ambassador to Vietnam and South Korea has been dubbed, to turn RA into the Voice of Canberra should bear in mind that he has not always been the most tractable of diplomats. Broinowski, who seemed to make a most favourable impression on David Hill when he showed the ABC loudmouth the recreational delights of Seoul, earned something of a reputation for diplomatic reporting from Hanoi that was marked by a healthy independence from the Hawke Government's pro-Washington line.

In any case, previous heads of Radio Australia have been keenly aware of Canberra's priorities in foreign policy and national security. Peter Barnett, whom Broinowski succeeds, had good friends in ASIS while he was an ABC correspondent in Asia (and not only his brother Harvey, former ASIS officer and Director General of ASIO).

The long-serving Peter Homfray — a protege of External Affairs Minister Dick Casey — came to RA after working for allied intelligence in India.

Yet the shortwave service has, by and large, kept a sensible distance from Canberra, a tribute perhaps to the commonsense and scepticism of its news and current affairs staff.

Academic beat-up

SYDNEY University academic Rodney Tiffen has written a rather snooty book about journalism in which he describes the Hilton bombing as a "terrorist attack". Perhaps Rodney could do with a little more of the intellectual rigour he finds so lacking in the media. At the time

his book went to press, there was no evidence to justify describing the Hilton bombing as a "terrorist attack", unless you find the crudest forms of media beat-ups acceptable. Come on, Rodney, more is expected of a don than of an afternoon tabloid!

Different agenda

The Queensland election demonstrated just how poorly Paul Keating's new television networking arrangements serve local viewers.

In the last week of a campaign that obviously caught the imagination of Queenslanders who enthusiastically chucked out the Nationals after 32 years in power, the Sydney-based *A Current Affair* waited until the Thursday before devoting five minutes and 55 seconds to the election (6min 7sec were devoted the night before to Ronald and Nancy Reagan's thoughts on astrology and hairstyles).

A pity, given that it was the same program that earlier in the year gave us the outstanding piece of television research on the links between Joh and Sir Leslie Thiess and an interview that exposed the highly political role of the Special Branch.

Commercial TV news gave a nightly average of just over 3min 3sec in the last week but this still beat the ABC with only 2min 34sec.

Low flying

Frank Devine's axing from the editorship of *The Australian* came shortly after Rupert Murdoch made a brief visit to the country of which he was once a citizen. The usual stories have circulated that Sir Peter blew in Rupert's ear that Devine had not been deferential enough to Ansett during the pilots dispute. Who knows why Rupert changes editors! But full marks to Devine for negotiating the inherent pitfalls of Rupert's half ownership of the airline with a degree of professional integrity not always apparent in the Murdoch empire.

Good Business

Australian Business had very good relations with Christopher Skase, with a regular slot on his *TV AM* program, in the days when he was the mogul at Channel Seven. The reporter who insisted that Skase should be dropped from the magazine's Rich List was put under a great deal of pressure to reconsider this bold step and told he would be in deep trouble if the rival *BRW* criticised the downgrading.

With the owner of *Australian Business*, Kerry Packer, back at the helm of Nine, new multi-media opportunities will no doubt open up, although not in the form of competition from extra stations or pay-TV (assuming, just for the moment, that Kerry has some minor influence in Canberra).

At least, there should be no distasteful dispute about whether Kerry makes it into the Rich List.

The we-can-all-make-mistakes department

The Australian Financial Review scored highly with it headline — "Bonn leadership retreats from its Stalinist policies" — on a piece about East Germany. The West German Ambassador wrote a gentle letter pointing out that Bonn was the capital of his country and could not "retreat from its Stalinist policies because it never had any".

AUSTRALIAN ASSOCIATED PRESS

All customers please note.

Due to unforeseen circumstances, much of the news© (Reg. Trademark. Prop. R. Murdoch) issued since August is being recalled due to a design fault in the shockers.

THE FOLLOWING CORRECTION SHOULD BE MADE TO ALL NEWS BULLETINS, TO TAKE EFFECT IMMEDIATELY.

The expression "mindless automatons from behind the Iron Curtain" should be replaced by the term "freedom-loving peoples of Eastern Europe".

The term "Eastern Bloc" will be replaced by the expression "Colourful folkloric mardi-gras".

The expression "Soviet Threat" will be replaced by any of the following: "Chinese Threat", "New Zealand Threat", "Fijian Threat", "Tristan da Cunhan Threat", "The Gibraltan Menace", "The Danger of Nappie-Rash', "The Icelandic Sagas", "Canada".

The term "Treacherous Russian Bear" should be replaced by the expression "Genius".

The expression "Multi-millionaire entrepreneur Christopher Skase" should now read "Multi-millionaire failed entrepreneur Christopher Skase".

The terms "Pilots' Strike", "Airlines Dispute", "Travel Chaos" and "Tourist Crisis" should be replaced by the expression "Good Evening. Everything is normal. Your flight has been cancelled. No worries".

The story headed "BOND RISES AGAIN" (scheduled for released Friday February 4) should now read " BOND SINKS WITHOUT TRACE".

The Expression "Stock-Market Correction" will be replaced by the expression "Unexpected Fuckup".

The expression "Television regulations" should not be used at all until further notice, particularly those provisions referring to foreign ownership or to the involvement of banks.

The following name-changes should be noted:

Senator Richardson the NSW Number-Cruncher becomes Senator Richardson the Hippie Activist.

Bob Hawke the working man's friend becomes Bob Hawke the man who works for his friends. (For friends, read every man woman and child across the nation.)

Bruce Judge the fearless corporate raider becomes Bruce Judge the born-again corporate director.

The Australian Film Renaissance becomes The Australian Film Bureaucracy.

The Australian Literature Board becomes The Frank Moorhouse Fund.

Paul Keating the best treasurer in the world becomes Paul Keating the best-dressed treasurer in the Third World.

Mr Andrew Peacock remains the same. No change.

Please ensure these changes are made. We regret any inconvenience during alterations.

Horse Talk

Parliamentary representations

SIR Peter Abeles is a busy man on the blower — there are five numbers for the Ansett boss in the PM's phone diary alone. The Opposition is not neglected either. Take the case of the Opposition front bencher, David Jull.

In the early days of the pilots' dispute, Jull took a position that — while stopping well short of backing the pilots — was not 100 percent behind the airlines and the government. Sir Peter, who took a much higher profile in the dispute than his partner in Ansett, Rupert Murdoch, wasted little time getting on the phone. There are two versions of what transpired.

According to Jull, Sir Peter was less avuncular than he sometimes appears in other forums. On picking up the phone Jull says he heard the following words:

"Peter Abeles here. I'm very disappointed with you, Mr Jull. I'm going to ring Andrew and have you removed and I'm going to ring Rupert and have you scrubbed out."

Abeles has a different recollection of the call. A spokesperson agreed that Sir Peter had phoned Jull but denied that he had "made that statement or anything that could be construed in those terms."

Certainly, it would be unusual for Sir Peter to depart from his normal practice of maintaining cordial relations with all sides of politics.

Jull says he is not aware of any subsequent attempt by Sir Peter to contact his leader, Andrew Peacock, on the matter, nor has he been "scrubbed out" in Murdoch's papers.

He says that at the time he objected to Sir Peter about what he saw as the tone of the call and then reported it to Peacock's office. The possibility of asking a question in parliament or raising the issue with the Privileges Committee was canvassed.

But Jull says he concluded that he might have been accused of only inflaming the dispute if he had complained publicly about his version of the call when emotions were still running high.

Picking a winner

A Victorian company has given a new twist to the old trick of paying cash into a TAB account in order to hide your generosity towards someone the world at large is foolish enough to believe is at arm's length from your entrepreneurial activities. The company is in the building game where such payments have become so hot in Melbourne that even some operators scarcely noted for their scruples are crying that it's got out of hand — they don't mind paying but within limits.

The unusual aspect of this particular payment was that it was by a cheque for $10,000 into the TAB account of a union official directly traceable to the builder.

The date of the transaction has been given to the National Crime Authority but, somehow, it seems unable to comprehend what's going on.

Other Victorian TAB records show regular payments into the accounts of two shop stewards. The source is not so obvious but a spot of sleuthing would show it came from one of the bigger builders on the Victorian scene.

The NCA is yet to show its form under new boss, Peter Faris, who can be seen around the office from time to time in a fetching pair of pink jogging shorts. One unpromising straw in the wind, however, is the decision to divert resources into a pointless hunt for who might have leaked material on a Mildura drug investigation to the *Sun Pictorial's* John Silvester. In fact, no one did, not that it would have mattered if they had.

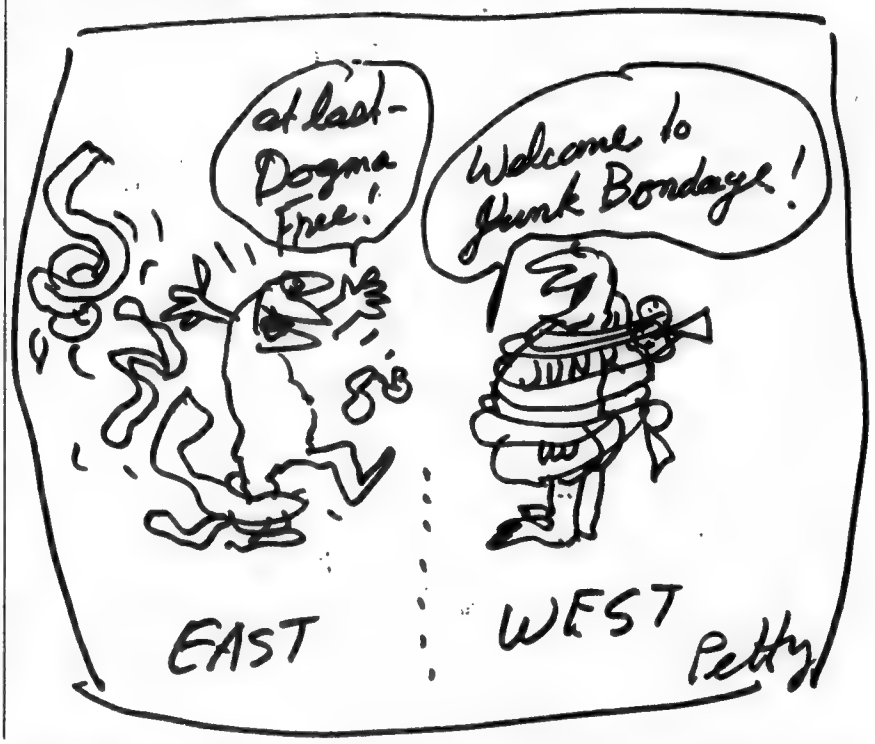
Sharkshit law

Back when the Fitzgerald enquiry was in its hey day, investigators working for the great man pressured a potential witness to give evidence against others. The transcript of the threats made in May 1988 — in some cases by lawyers — read like a third rate who-dunnit.

The witness, Tony Wallace, was told he'd be exposed as a police informant and sit out the rest of his life in jail if he didn't cooperate. He was reminded how hard life in jail was for informants and told his interrogators "were playing for keeps". He would face a barrage of 20 barristers before Fitzgerald , people were "queuing up" to incriminate him, and the criminal law would come down on him "like a ton of bricks".

"You're sharkshit, mate. The sharks are going to tear you apart in Fitzgerald. (Another witness) is home drugged to the eyeballs because he realises we're right up his arse. You can go right down the shute with him."

Wallace agreed to testify against Michael Falzon and a policeman called Brian Marlin in return for being granted an indemnity.



Business woman of the year

THE search for new blood goes on at the board level. Showing the way is an Indonesian partner in a concession to log a vast area of rain forest in Irian Jaya. The Indonesian Company, PT Sansaporinda Mandiri has 20 percent of the operating company, Mamberamo Forest Products, with the other 80 percent owned by Perth based Asmus McLean.

A Director of PT Sansaporinda Mandiri just happens to be Leila Suebu, the teenage daughter of the the Governor of Irian Jaya, Baas Suebu. The 600,000 hectare timber concession for which Ms Suebu will have directorial responsibility comprises along the Mamberamo River containing logs worth an estimated $2.5 billion. Profit projections show the initial capital outlays being repaid in under one and a half years.

Asmus McLean is headed up by Gordon McLean, who became chairman of TPS Group after it took over his McLeans Consolidated Mills. TPS directors have included such Perth identities as Ian Cornelius and Kenneth John Smith.

Project manager for Mamberamo will be the former head of the Bunnings operation at Vanimo in PNG which has drawn strong local criticism for logging too close to rivers and streams, cutting on steep slopes, burning surplus logs, treating the workers and provincial government badly etc.

Although it have not managed to attract the same attention as if a similar slice of Australia was in contention, the scheme is being opposed in its current form by George Marshall and Yos Suprapto of the Lismore- based New Guinea Campaign Group.

Bi-partisan advice

You gotta admit Sir Peter's got class. While the spotlight's been on his friendship with Hawke — the *Sunday Age* was so unkind as to advertise a feature as "Bob and the Fatman"— a TNT company in Canberra called Actraint No 34 Pty Ltd has been quietly beavering away in various share deals.

It was used, for example, to buy into the British helicopter maker Westland at the time of the Sikorsky takeover. Sir Peter's partner in Ansett, Rupert Murdoch, is a director of Sikorsky's parent company.

A director of Actraint No 34 until September 1985 was none other than Nick's brother, Christopher Albert Greiner, who continued as company secretary.

Economies of scale

We know Rupert Murdoch's tentacles reach everywhere but we're not quite sure what publishing or broadcasting opportunities he finds so attractive in the the Netherlands Antilles and Cayman Islands. The Netherlands Antilles hosts Newscorp Finance NV; News Group Credits Netherlands Antilles NV; Newscorp Netherlands Antilles NV: and News Publishers Netherland Antilles NV. The Cayman Islands is home to Newscorp Finance Ltd; News Financial Services Ltd; News Cayman Ltd; News Cayman Finance Ltd; News Publishers Finance Ltd; and News Cayman Investment Ltd.

Perhaps all this corporate activity has something to do with the statement in the News Ltd annual report : *"Because there is no present intention to either remit the retained earnings to Australia on a regular basis or to realise the revalued surplus though the sale of the revalued assets, no provision has been made for withholding or other taxes that may become payable in those countries or in Australia"*.

A judge said that the interviews with the witness, Tony Wallace, "were generally characterised by persistent gruelling questioning often coarse and interspersed with insults. During all of this Wallace apparently was not in good health".

Justice de Jersey said, "I consider that there is a very grave risk that these statements of Wallace are not truthful and reliable, but rather a response . . . made compliantly out of fear and in the hope of securing favoured treatment." He ruled against the admission of the evidence which he described as "vague, confused and contradictory" The case against Falzon was lost. The special prosecutor, Doug Drummond QC, subsequently dropped the charges against Marlin.

The crucial aspect of the case is that, if Fitzgerald had had his way, the defence lawyer, Chris Nyst, would never have had the chance to get the tapes that revealed the tainting of the evidence against his client. The initial request for the material vital to the defence was refused by Fitzgerald and only handed over after court action was initiated.

However, the government responded by putting a clause in the Special Prosecutors Act allowing it to withhold any material it wishes, including all Fitzgerald files, from the normal processes of legal discovery. Courts were specifically forbidden from ordering that such information be handed over. The then Premier, Mike Ahern, explained, "We are not going to let defence lawyers, acting on behalf of accused people, ransack the Fitzgerald files".

No changes appear likely under Wayne Goss, despite representations from the less than radical Queensland Law Society.

Umpire's decision

Nothing like setting up a tribunal to set professional fees and save politicians the trouble, is there? Take the case of the chemists. A tribunal under the chairmanship of former Labor minister, Joe Riordan, laboured for two years to come up with its recommendations for cuts in dispensing fees. For weeks we heard about how the government would not give in to the chemists — all it was doing was implementing the umpire's decision. Then came the news that the Silver Bodgie was exploring "alternative avenues" of dealing with the dispute. Seems that someone in Hawke's office tried the tribunal avenue. Shortly afterwards, it announced independently that it would reopen its enquiry. Any consideration of Hawke's views, of course, would have been treated entirely on their merits.

Fighting on

The legal firm of Peacocke, Dickens & Price, to which the NSW Consumer Affairs Minister, Gerry Peacocke, is a consultant, has taken up one of the longest running cases in Australian history. The firm is trying to reopen an appeal involving a commercial dispute between Sylvia Faulker and a former Army Brigadier, Charles Flint. The case entails claims that the Army breached a contract Flint had arranged with Faulker.

Flint was asked to resign from the Army with parliament being told in 1973, "The Military Board concluded that in his relationships with a particular firm the brigadier's standard of conduct had fallen far short of that required of officers of the Army, particularly those of such senior rank." Although Faulker has been represented by some prominent Labor lawyers in the past, the courts have consistently ruled against her.

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The Diary of a Straight Cop

Monday My first day in office as Queensland's new Police Commissioner after Noel Newman's sudden retirement and , if I do say so myself, off to a pretty good start. Called my troops together at 10 pm and addressed them. Lots of polished boots and buttons gleaming up at me — good sign. I told them: "If there's any corrupt officers still amongst you, you can jolly well get out now!" Noone moved. Just as I'd hoped: all the bad eggs and rotten apples had already gone seeking greener pastures. Went home and told Mother all about my busy day. Early night: nose to the grindstone tomorrow! And so to sleep.

Tuesday Didn't leave the office today — constant stream of well wishers: Premier, Police Minister, other Govt Ministers, ex-Premiers, ex-Govt Ministers, ex-Royal Commissioners. Encouraging signs of support. Telegram from Sir Terry. Nice gesture I suppose but I burnt it in the office ashtray: clean break, phoenix from the ashes and so forth. Mother was thrilled to hear all about the excitement. And so to sleep.

Wednesday A bit more time to myself today so I finally got around to hanging my degree on the office wall. Must make time to get out with the troops and get a feel for things at "street level", once I've found my feet at the office.

Thursday Pinch, my invaluable "ADC", came in with a sheaf of Promotions and Transfers for me to sign today. Seemed annoyed when I wanted to read them first. He explained to me that the troops would need time to adjust to the idea of another new Commissioner with literary skills. Signed, but put my foot down: they better be adjusted within six months or else! Late getting home, Mother had my cocoa ready. And so to sleep.

Friday Observed strange paper bag on my desk this morning. Pinch mumbled something about it could be my "cut". Explained to him don't usually have a cut lunch — what with Mother's rheumatism and one thing and another — generally grab a sausage roll and orange juice from the canteen. Noticed that the bag was in fact full of banknotes. Pinch said it could be my dividend from the staff Xmas Club. Reminded him Xmas nearly 12 months away. He explained that the Club pays out monthly to avoid Xmas rush. Put bag in Lost Property safe for time being. Must check into one or two things Monday morning.

Saturday In a bit of a quandary. Been invited by senior officers to functions at both the Masonic Lodge and the knights of the Southern Cross tonight. Talked it over with Mother and decided on a bit of "shuttle diplomacy": went to the Masons first to see Bro. Jenkins raised to the Third Degree, and then hurried over to the Knights in time to see Bro. O'Flaherty raised from the floor and sent home in a taxi. Good night's work, I thought. And so to sleep.

Sunday A day of rest.

Monday Southern media full of stories about SP bookmaking and prostitution still being rife in Qld. Premier and Police Minister both on the blower demanding I do something to quash these corruption stories. Issued media statement: "Naturally some odd isolated pockets of corruption could conceivably remain temporarily but the Qld Police Force is rapidly on the way to becoming the finest body of law enforcers in the country." Quite proud of it really.

But Pinch came in after lunch looking flushed and worried. The men were threatening unlimited strike action, he said, because of my callous betrayal and stab in the back. Crisis looming. Asked Pinch, a born-and-bred "banana bender", for local advice and he responded generously.

Moved quickly: rescinded media statement and issued writs against Southern media outlets. Just before knockoff time Pinch brought me another whisper: it seems both the Masons and the Knights are considering offering me honorary life membership! Mother is becoming quickly acclimatised too. Showed me the Hawaiian shirt she'd bought me for golf tomorrow. Ah Queensland, Queensland! And so to sleep.

- Roger Raftery

VICE-REGAL DIARY

Monday

Some time ago, I spoke to Smith – my man – about the profile question. "We are playing very well in Peoria, Smith," I said, "but we don't seem to be getting much air-play anywhere else." I have long felt that it is important for me to get out and show myself among the people, who are after all the warp and woof of this nation. And I am not one to shy away from the rigours of travel. (Memo self: Arrange with Beazley familiarisation flight on one of the Falcon VIP planes.)

But on the itineraries Smith bowls up, one finds oneself visiting Chillago and Devonport and not enough time in, let us say, Sydney. Smith counters that by pointing out that we get a blanket coverage on the local TV when we go to those places. But what, I ask, is the use of appearing before the locals on the screen when one has already met them at the municipal reception in person, shaking their hands and listening to details of their operations and how well their daughters are doing in the big smoke of Toowoomba or Launceston.

Get me the mass audiences, Smith, I say. And what has he done? Tomorrow we leave for Darwin. Oh, nice one, Smith.

Tuesday

ABOARD VICEROY ONE. When one looks down on one's country from 37,000 feet, one realises what a daunting task it is to represent Her Majesty in a continent like Australia. Did Cecil Rhodes have so vast an area to cover, a land half so dry and inhospitable?

As I mulled over some excellent barramundi and a drop of Petaluma, I reflected – as one does when one is close to peril – on what would happen if our plane had to set down in the desert. I didn't much like the look of the ADC as the kind of fellow to have around in a crisis. Probably go barmy and wander around firing off his service revolver. While I felt sure that the old police training would pull us through, I was comforted by the knowledge that the doughty little baggage plane was immediately behind, keeping an eye on us as we soared through the heavens.

Wednesday

I suppose there are worse tortures than a Darwin civic reception, but it is hard to imagine one. A briefing from Malcolm Mackerass on the d'Hondt voting system? Going to a slide night at Gareth Evans's? Still, this is the hard part of this job, so it was grit the teeth and go along.

All the men had pot bellies and all the women wore hats. I derived some mild amusement by imagining the men in the hats. The talk was all about how the Southerners don't understand them. I've a feeling they might be right.

Thursday

Smith was very pleased with himself today. A colour magazine wants to cover my tour of the North-East. Now, Smith is well aware that I desire more national attention but I had to speak sternly to him about decorum and, dare I say it, the majesty of high office.

"One does not," I informed Smith, "flaunt

oneself before the colour magazines, posing for pictures and in general behaving like a Hollywood tart." "But G.G.," replied another staffer, as cool as you like, "surely you must remember, you are a member of the Royal Family."

I was unable to think up a riposte, so now we are travelling with a reporter and photographer, who will no doubt record me saying things I never intended to be made public and doing things that make me look silly. Oh, dear! The price of fame.

Friday

More news came through on television of the events in Eastern Europe. The sight of mobs in the streets is particularly chilling to one who has — as I have — solemnly pledged to uphold order. It is a little-noticed part of the monarchical system of government that, in extremis, there is an authority above the rough and tumble of politics, who has the ultimate power, should the existing order be overthrown, to put an end to the tumult. Not for nothing, I reflected after the grim pictures of licentiousness disappeared from the screen, do I carry the title, Commander-in-Chief. Not, of course, that I would ever use these powers lightly.

Saturday

Back at Yarralumla, the estate looks in fine shape. Pity about the rest of Canberra, though. Some cretin in the new A.C.T. Government has ordered that the public lawns be left uncut. The place now looks like a backyard in Ipswich. Most unbecoming.

I rang Codd and demanded to know what was going on. I reminded him that when my guests arrived at Canberra Airport they would quickly form the view that they must have come to the wrong place. "Good God, Codd," I said, "I've seen tidier towns in Pakistan." Codd said he had no control over lawns or anything else, now that "your Government", as he put it, had handed over control to the local Assembly. Assembly was putting it a bit high, I said. Try rabble.

They've taken the fluoride out of my water — it's not my teeth I worry about, but those of my staff, a not inconsiderable body of people — and as soon as I have the equipment installed to replace it, they put it back. They dither over front fences, and the taxing of eroticism.

But most of all, it's the grass. Last night, the butler left the road while driving out for some cheddar. We only found him the next morning after he had lit a fire.

In any event, Codd's response was to suggest that I read the Act under which the ACT Assembly was set up. This I must do.

The only other event of the day was to read Blanche's latest contribution to Hawkieography. I know that Blanche is into re-birthing, but I never suspected she could find so much life in that old dog.

Sunday

Got a devil of a shock this morning. Codd's right! The solution to Canberra's misery is at hand. The power to dissolve the ACT Assembly lies with me!

My course is clear. The people must be given a chance to elect a new Assembly, one that will govern in their interests and keep the public lawns under control, and they must be given it at once.

My plans must be kept in absolute secrecy. If the Government gets wind of them, we'll be done for. When I pounce, I shall strike.

Then those sneerers who said that this was a position with no power will have to apologise!

Explaining freedom

SOME of my friends don't understand freedom. A difficult concept, I sympathise with their confusion, but one we should all make some attempt to understand , living as we do in a free society.

What exactly is it? they say.

I sip Margaux. Basically, I tell them, reduced marginal tax rates, elimination of welfare, elimination of trade unions, establishment of cartels, low wages, no tax on luxuries, no capital gains tax. I could go on but I stop. You understand?

Sounds all right to us. They raise their glasses of Bollinger and transfer the contents to their proud young bellies. Here's to freedom.

Even more basically, I say, freedom means we can do whatever we like.

My friends nod happily. What about the peasants?

They also can do whatever we like.

Freedom for us, not them?

I shake my head, delighted as always at their rare and evanescent flashes of intellect, or at least of the pattern within chaos. You have discovered the essence of this elusive quality. I think you will find that all who use this word, but most especially politicians, journalists, academics and other conjurors with veracity, mean freedom for me not you.

They gaze ruminatively into space for a time, gulping Bollinger occasionally, much like cows in a paddock chewing their cud. Well, that's all right, they say, we're free, stuff everybody else.

I gaze at their identical clothes, identical drinks, identical faces, consider their identical voices, muse on their identical cars, identical second wives, identical homes, and recall a delightful scene from that remarkably perceptive socio-economic documentary, *The Life of Brian*. You are all individuals? I ask them.

Yes, they chant proudly, we are all individuals.

This is the basis of freedom, I explain, individuality. The extent to which freedom resides within the heart of a country in truth rather than image may be gauged by the number of genuine individuals that country produces.

We're all free in Australia, they chant.

I frown. Except for the peasants have you forgotten so soon?

Except for them, they chant.

Very good. I feel like patting their heads and throwing a stick for them to chase but refrain.

They look thoughtful for a moment, a painful sight. But we're free and the commies aren't. What's the difference?

I consider pursuing the intricacies of a one-party one-policy system as opposed to a two-party one policy system, but decide not to test them too severely.

They ban potent criticism of communism in their media, I say. We allow it in ours. More importantly, we are free to buy what we choose. They are not. This is the ultimate freedom beside which all others pale into insignificance and may be safely discarded.

Sounds pretty good to us. My friends refill their glasses. Just one thing. Our defamation laws. Worse than Russia. No freedom there. On the contrary, I say, they allow us perfect freedom.

Tyler Kelly

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The appointment of Roger Holdich as the new head of the Office of the Inspector General of Security and Intelligence has led us to drag out his biog file. He might bring a touch more oomph to the job than his predecessor, the scarcely terrier-like, Neil McInnes. Holdich was head of the International Relations Division of the PM's department back in 1979 when China invaded Vietnam and the Americans unsportingly cut off the supply of signals intelligence to its little Aussie ally. Geoff Yeend, who was head of PM's at the time, asked Roger to report on the performance of your intelligence bods. Our copy of the report shows Roger was scathing about the role of McInnes's original employer, the Office of National Assessments.

Roger's attitude to any excessive zeal of the part of ASIO will be worth watching after his experience of being "vetted" for his Top Secret Absolute clearance— ASIO dug up some irrelevant personal details about his early childhood (not that it got in the way of the clearance.)

A crucial question with his new appointment will relate to the toilet arrangements. After Roger moved from PM's to Deputy Chairmanship of the Public Service Commission he insisted that he should have his own toilet. Vast bureaucratic energy was expended with the eventual solution being to shift him to the opposite end of the building from the Chairman and to give him a key to a toilet down the corridor. It was, alas, not *en suite* and earned the unedifying appellation, Roger's Bog.

The South African intelligence outfit, SANIS, (I much preferred the old name, BOSS) has placed one of its people in a quite useful position in the Murdoch empire — which I must admit is more than we've been able to do. Incidentally, United Technologies, which just happens to have Rupert on the board, managed to flog its Seahawk helicopter to your Navy without any trouble. Never mind that the Dibb Report recommended a cheap little chopper and you've ended up with the dearest one in the world, dearer even than the US Navy could persuade the free-spending Reagan to provide.

Delighted to read Gary Woodard's piece in *The Independent Monthly* where he refers in a matter-of-fact way to the US "nuclear war fighting bases" in Australia. How can this be? Bomber Beazley has repeatedly explained that they are devoted solely to peaceful purposes such as monitoring arms control agreements (for Soviet, not US, breaches, of course). Gary used to be a senior official in your Joint Intelligence Organisation, so there's a chance he might actually know what he's talking about.

Picking the real right wing candidate in Ian Macphee's old seat of Goldstein is giving our analysts the devil of a job. The Lib's David Kemp has solid credentials but he could well be pipped by Labor's Michael Danby. Danby has been a consulting editor for an information service called *Exchange* along with Bob Santamaria and the far right medico, John Whitehall. A couple of years ago he attended the "Red Orchestra" conference put on by the macho right Hoover Institute in Washington. Participants vied with one another to unveil left wing propaganda plots. Michael has keep up his interest with a recent article in the right wing think tank's *IPA Journal* on the "trail of disinformation" about the downfall of the elected Labour PM of Fiji, Timothy Bavandra. Danby complains of the "left wing fantasy which sees the CIA presence every time a neutralist or anti-American government loses office." Perhaps some of Michael's electors are still under the impression that Bavandra did a little more than "lose office" — he was after all overthrown in a military coup.

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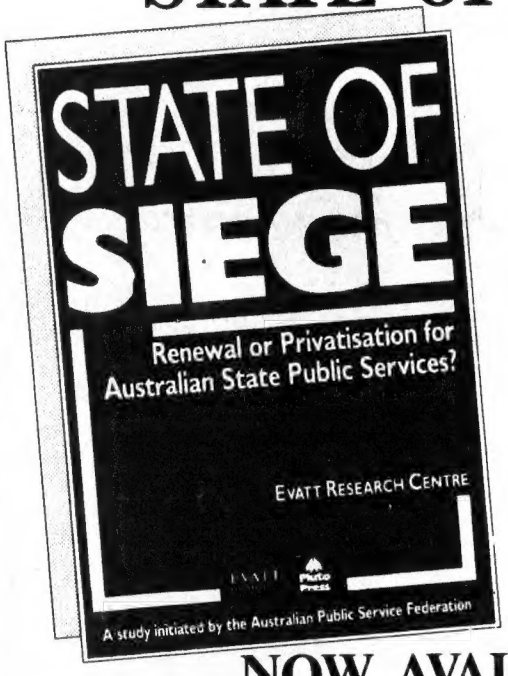

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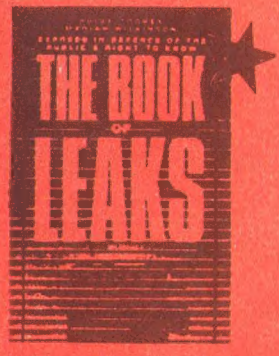

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